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Mukka Proteins Limited

DRAFT RED HERRING PROSPECTUS

Dated: March 18, 2022

Please read section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Issue

MUKKA PROTEINS LIMITED

(FORMERLY KNOWN AS MUKKA SEA FOOD INDUSTRIES LIMITED)

CIN: U05004KA2010PLC055771

Registered & Corporate Office	Contact Person	Email and Telephone	Website
Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru – 575001, Karnataka, India	Mr. Mehaboobsab Mahmadvous Chalyal , Company Secretary & Compliance Officer	Email ID: cs@mukkaproteins.com Tel No: 0824 - 4252889	www.mukkaproteins.com

NAMES OF PROMOTERS OF THE COMPANY

MR. KALANDAN MOHAMMED HARIS, MR. KALANDAN MOHAMMAD ARIF AND MR. KALANDAN MOHAMMED ALTHAF

DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

Type	Fresh Issue Size (by amount in ₹ Million)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size	Eligibility – 6(1) / 6(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	[●]	Nil	[●]	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, NIIs and RIIs, see “Issue Structure” on page 311.

OFS: Offer for Sale

Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders:

- NIL -

RISKS IN RELATION TO THE FIRST ISSUE – The face value of the Equity Shares is ₹1/- each. The Floor Price, Cap Price and Offer Price determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Offer Price*” on page 74 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares issued in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 26 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE and NSE. For the purposes of the Offer, [●] is the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

 **FINSHORE**
Creating Enterprise Managing Values
FINSHORE MANAGEMENT SERVICES LIMITED
Anandlok Building, Block-A, 2nd Floor, Room No. 207,
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India
Contact Person: Mr. S. Ramakrishna Iyengar
Telephone: 033 – 22895101
Email: ramakrishna@finshoregroup.com

 **CAMEO**
CAMEO CORPORATE SERVICES LIMITED
"Subramanian Building", #1, Club House Road,
Chennai - 600 002, India
Contact Person: Mr. R.D. Ramasamy, Director
Telephone: +91-44-40020700, 28460390
Email: investor@cameoindia.com

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSURES ON: [●]

MUKKA PROTEINS LIMITED
(FORMERLY KNOWN AS MUKKA SEA FOOD INDUSTRIES LIMITED)

Our Company was originally incorporated as “Mukka Sea Food Industries”, a Partnership firm in the state of Karnataka on March 13, 2003. Subsequently, the Partnership Firm converted to Private Limited Company as “Mukka Sea Food Industries Private Limited” on November 04, 2010 vide certificate of incorporation bearing Corporate Identity No. U05004KA2010PTC055771 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, Karnataka. Subsequently, the company was converted into Public Limited Company vide a fresh certificate of incorporation issued by ROC-Bangalore, consequent upon conversion from Private Limited to Public Company dated December 02, 2019 in the name of “Mukka Sea Food Industries Limited” vide Corporate Identification Number U05004KA2010PLC055771. Subsequently, name of the company changed to “Mukka Proteins Limited” vide a fresh certificate of incorporation pursuant to change of name issued by ROC-Bangalore, dated August 06, 2021. For further details, please refer “History and Certain Corporate Matters” on page no 182 of this Draft Red Herring Prospectus.

Registered office: Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru – 575001, Karnataka

Contact Person: Mehaboobsab Mahmudgous Chalyal, Company Secretary & Compliance Officer; **Tel No:** 0824 - 4252889, **E-Mail ID:** cs@mukkaproteins.com;

Website: www.mukkaproteins.com; **CIN:** U05004KA2010PLC055771

OUR PROMOTERS: (I) MR. KALANDAN MOHAMMED HARIS, (II) MR. KALANDAN MOHAMMAD ARIF AND (III) MR. KALANDAN MOHAMMED ALTHAF

INITIAL PUBLIC OFFERING OF UPTO 8,00,00,000 EQUITY SHARES OF FACE VALUE ₹ 1/- EACH (“EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “ISSUE PRICE”), AGGREGATING UPTO ₹ [●] LACS (“ISSUE”). THE ISSUE SHALL CONSTITUTE 26.67% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 1/- EACH. THE ISSUE PRICE IS [●] TIMES THE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (“SEBI ICDR REGULATIONS”), AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) (“BSE” TOGETHER WITH NSE, THE “STOCK EXCHANGES”) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of ten (10) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the Syndicate Members, and by intimation to Self-Certified Syndicate Banks (“SCSBs”), the Sponsor Bank and other Designated Intermediaries, as applicable. In case of force majeure, banking strike or similar circumstances, the Company may for reasons recorded in writing, extend the Bid/ Issue Period by at least three (3) additional working days subject to the total Bid/Issue Period not exceeding ten (10) Working Days.

The Issue is being made in terms of Rule 19(2)(b)(i) of the Securities Contract (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 31 of the SEBI ICDR Regulations, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) and such portion the “QIB Portion”), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations (“Anchor Investor Portion”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Issue Price. All potential Bidders, other than Anchor Investors, are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective bank account (including UPI ID in case of RIBs) which will be blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Issue. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, please see the section entitled “Issue Procedure” on page 314.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 1/- each. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in the section entitled “Basis for Issue Price” on page 74 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page 26 of this Draft Red Herring Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an ‘in-principle’ approval from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, see “Material Contracts and Documents for Inspection” on page 398 of this Draft Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



FINSHORE
Creating Enterprise Managing Values

FINSHORE MANAGEMENT SERVICES LIMITED
Anandlok Building, Block-A, 2nd Floor, Room No. 207,
227 A.J.C Bose Road, Kolkata-700020, West Bengal
Telephone: 033 – 22895101
Email: ramakrishna@finshoregroup.com
Contact Person: Mr. S. Ramakrishna Iyengar
Website: www.finshoregroup.com
Investor Grievance Email: info@finshoregroup.com
SEBI Registration No: INM000012185
CIN No: U74900WB2011PLC169377



CAMEO

CAMEO CORPORATE SERVICES LIMITED
"Subramanian Building", #1, Club House Road,
Chennai - 600 002, India
Telephone: +91-44-40020700, 28460390
Facsimile: +91-44-28460129
Email: investor@cameoindia.com
Contact Person: Mr. R.D. Ramasamy, Director
Website: www.cameoindia.com
SEBI Registration Number: INR000003753
CIN No: U67120TN1998PLC041613

ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

- Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one (1) Working Day prior to the Bid/ Issue Opening Date.
- Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs, one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulation.

TABLE OF CONTENTS

SECTION I: GENERAL2

DEFINITIONS AND ABBREVIATIONS.....2

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION.....14

FORWARD LOOKING STATEMENTS17

SUMMARY OF OFFER DOCUMENT19

SECTION II: RISK FACTORS.....26

RISK FACTORS.....26

SECTION III: INTRODUCTION47

THE ISSUE.....47

SUMMARY OF FINANCIAL INFORMATION48

GENERAL INFORMATION51

CAPITAL STRUCTURE58

OBJECT OF THE ISSUE.....68

BASIS FOR ISSUE PRICE74

STATEMENT OF POSSIBLE TAX BENEFITS77

SECTION IV: ABOUT THE COMPANY AND THE INDUSTRY82

INDUSTRY OVERVIEW82

OUR BUSINESS141

KEY INDUSTRY REGULATIONS AND POLICIES175

HISTORY AND CERTAIN CORPORATE MATTERS182

OUR MANAGEMENT.....194

OUR PROMOTER AND PROMOTER GROUP.....212

OUR GROUP COMPANIES216

RELATED PARTY TRANSACTIONS219

DIVIDEND POLICY220

SECTION V: FINANCIAL INFORMATION.....221

FINANCIAL STATEMENT AS RESTATED221

FINANCIAL INDEBTEDNESS265

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS269

SECTION VI: LEGAL AND OTHER INFORMATION.....276

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS276

GOVERNMENT AND OTHER APPROVALS292

OTHER REGULATORY AND STATUTORY DISCLOSURES297

SECTION VII: OFFER INFORMATION.....306

TERMS OF THE OFFER306

ISSUE STRUCTURE.....311

ISSUE PROCEDURE.....314

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES334

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION.....336

SECTION IX: OTHER INFORMATION336

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION398

DECLARATION.....400

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise specified or indicates, requires or implies, shall have the meaning as provided below. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

General Terms

Term	Description
“Company”, “our Company”, “Mukka”, “the Company”, “the Issuer” or “MPL”	Mukka Proteins Limited, a public limited company incorporated under the provision of Companies Act, 1956, having its registered office at Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru – 575001, Karnataka
“we”, “us”, or “our”	Unless the context otherwise requires, our Company together with our Subsidiaries, our Associates, our Joint Ventures and our Group Companies

Company Related Terms

Term	Description
Articles/ Articles of Association/ AOA	Articles/ Articles of Association of our Company, as amended from time to time.
Associate	The Associate of our Company being Ento Proteins Private Limited, MSFI (Bangladesh) Limited and Ocean Proteins Private Limited
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the details of which are provided in “Our Management” on page 194.
Auditors/Statutory Auditors	The statutory auditors of our Company, Shah & Taparia, Chartered Accountants.
“Board”/ “Board of Directors”	The board of directors of our Company, or a duly constituted committee thereof
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer being Mehaboobsab Mahmudgous Chalyal
Chairman	Chairman of our Company being Karkala Shankar Balachandra Rao
Chief Executive Officer/CEO	Chief Executive Officer of our Company being Kalandan Mohammed Haris
Chief Financial Officer/CFO	Chief Financial Officer of our Company being Kalandan Mohammed Althaf
Chief Operating Officer/COO	Chief Operating Officer of our Company being Kalandan Mohammad Arif
Corporate Social Responsibility Committee/ CSR Committee	The committee of the Board of Directors constituted as our Company’s corporate social responsibility committee in accordance with the Section 135 of the Companies Act, 2013.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 1/- each.
Executive Directors / Whole Time Directors	Whole Time Directors of our Company being Kalandan Mohammed Althaf and Kalandan Mohammad Arif
Group Companies	Companies (other than subsidiaries) identified as in “Group Companies” in the Section titled “Our Group Companies” on page 216.
Independent Directors	Independent Directors of our Company being Karkala Shankar Balachandra Rao, Narendra Surendra Kamath and Hamad Bava
IPO Committee	The committee constituted by our Board for the Issue, as described in “Our Management” on page 194
Key Managerial	Those individuals described in the sub-Section titled “Our Management” on page 194

Term		Description
Personnel/KMP		
Managing Director		Managing Director of our Company being Kalandan Mohammed Haris
Memorandum/Memorandum of Association/MoA		Memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee		The committee of the Board of Directors reconstituted as our Company's nomination and remuneration committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178(1) of the Companies Act, 2013, the details of which are provided in "Our Management" on page 194
Non-Executive Directors		Non-Executive Directors of our Company being Kalandan Abdul Razak and Umaiyya Banu
Promoters		The Promoters of our Company being Kalandan Mohammed Haris, Kalandan Mohammed Althaf and Kalandan Mohammad Arif
Promoter Group		The persons and entities constituting our promoter group pursuant to Regulation
Registrar of Companies/ ROC		Registrar of Companies - Bangalore, Karnataka
Registered Office		The Registered office of our Company, situated at Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru – 575001, Karnataka
Restated Financial Statements /Restated Financial Information/ Consolidated Financial Information	Restated Financial Information	Restated consolidated financial statements of our Company and its Subsidiary, Associate and Joint Venture for the six-month period ended September 30, 2021 and Fiscals 2021, 2020 and 2019 prepared in accordance with Ind AS and examined by the Auditor in accordance with the requirements of the Companies Act and restated in accordance with the provisions of the SEBI ICDR Regulations. For details, see "Financial Information as Restated" on page 221.
Shareholders		Shareholders of our Company, from time to time.
Stakeholders' Relationship Committee	Relationship	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see "Our Management" on page 194.
Subsidiary/ Wholly Owned Subsidiary	Wholly Owned Subsidiary	The subsidiaries of our Company, being Haris Marine Products Private Limited, Atlantic Marine Products Private Limited and Ocean Aquatic Proteins LLC, Oman (Foreign Subsidiary).

Issue Related Terms

Term		Description
Acknowledgement Slip		The slip or document issued by the Designated Intermediary (ies) to a Bidder as proof of registration of the Bid Cum Application Form.
Allot/Allotment/ Allotted		Unless the context otherwise requires, the issue and allotment of the Equity Shares pursuant to the Issue to the successful Bidders.
Allotment Advice		Note or advice or intimation of Allotment sent to each successful Bidder who have been or are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee		A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor Allocation Price	Investor	The price at which Equity Shares will be allocated to the Anchor Investor in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLM in the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	Investor	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/ Issue period / Anchor Investor Bidding Date	Investor	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLM will not accept any bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	Investor	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price, but not higher than the Cap Price.

Term	Description
	The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion, consisting of [●] Equity Shares, which may be allocated by our Company in consultation with the BRLM, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with SEBI ICDR Regulations.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by a Bidder, other than Anchor Investors, to make a Bid and authorize a SCSB to block the Bid Amount in the ASBA account and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Bidders	All Bidders except Anchor Investors who make a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Bidders and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue/ “Sponsor Bank”/ “Refund Bank”/ “Public Issue Bank”	[●]
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Issue and which is described in “ <i>Issue Procedure</i> ” on page 314.
Bid(s)/Bidding	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than Anchor Investor) pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account, as the case maybe, upon submission of the Bid in the Issue.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form including through UPI mode (as applicable), as the context requires.
Bid Lot	[●] Equity Shares and in multiple of [●] Equity Shares, thereafter.
Bid/ Issue Closing Date	Except in relation to the Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●] which shall be published in English national daily newspaper, Hindi national daily newspaper and Kannada regional daily newspaper, being the regional language of Karnataka, where our Registered Office is located, each with wide circulation. In case of any extension, the extended Bid/Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the Syndicate Member, as required under the SEBI ICDR Regulations and also intimate to SCSBs, the Sponsor Bank, and Registered Brokers, RTA and CDPs.
	Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one (01) Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting ASBA Bids for the Issue being [●].

Term	Description
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which the Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations.</p> <p>Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one (01) Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.</p>
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied includes an ASBA Bidder and an Anchor Investor.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manage/ BRLM	The book running lead manager to the Issue, being Finshore Management Services Limited
Broker Centers	<p>Broker centers notified by the Stock Exchanges, where Bidders can submit the ASBA Forms to a Registered Broker.</p> <p>The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com) and are updated from time to time.</p>
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Issue Period.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/ CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
Controlling Branches	Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in .
Cut-off Price	<p>The Issue Price, will be finalised by our Company in consultation with the BRLM, which shall be any price within the Price Band.</p> <p>Only Retail Individual Bidders (subject to the Bid Amount being up to ₹ 200,000) are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.</p>
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, bank account details and UPI ID wherever applicable.
Designated CDP Locations	<p>Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms.</p> <p>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges. (www.bseindia.com and www.nseindia.com).</p>
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIBs using UPI mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, after the Prospectus is filed with the RoC.

Term	Description
Designated Intermediary(ies)	The Members of the Syndicate, sub-syndicate or agents, SCSBs (other than RIBs using the UPI mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Bidders, except Anchor Investors can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This Draft Red Herring Prospectus dated March 18, 2022 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars, including the price at which the Equity Shares will be allotted and the size of the Issue, including any addenda or corrigenda thereto.
DP ID	Depository Participant's identity number
Eligible NRI(s)	NRI eligible to invest under Schedule III and Schedule IV of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchanges in relation to our Equity Shares.
Escrow Account(s)	The 'no-lien' and 'no-interest bearing' account(s) opened for the Issue with the Escrow Collection Bank and in whose favour the Bidders (excluding ASBA Bidders) may issue or transfer money through direct credit/NACH/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Escrow Collection Bank(s), the Sponsor Bank and the Refund Bank(s), for, inter alia, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
First Bidder/Sole Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of a joint Bid and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
Issue Agreement	The agreement dated March 10, 2022 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders (other than Anchor Investor) in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the Book Running Lead Manager on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus. Unless otherwise stated or the

Term	Description
	context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors.
Issue Proceeds	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on page 68 of this Draft Red Herring Prospectus.
Issue/Issue Size	Initial Public Offering of up to 8,00,00,000 Equity Shares of face value of ₹ 1/- each of our Company for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million.
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids received at or above the Issue Price.
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Proceeds	Proceeds of the Issue less our Company’s share of Issue related expenses. For further information about the Issue related expenses, see “ <i>Objects of the Issue</i> ” on page 68.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders or NIIs	All Bidders including FPI’s that are not QIBs (including Anchor Investor) or Retail Individual Bidders, bidding in the QIB Portion or Retail Portion, if any respectively and who have Bid for the Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
Non-Resident/ NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.
Pre-Issue Advertisement	The pre-Issue advertisement to be published by our Company under Regulation 43 of the SEBI ICDR Regulations and Section 30 of the Companies Act, 2013 after filing of the Red Herring Prospectus with the RoC, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Kannada newspaper, Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, respectively.
Price Band	Price Band of a minimum price of ₹ [●]/- per Equity Share (Floor Price) and the maximum price of ₹ [●]/- per Equity Share (Cap Price), including any revisions thereof. The Price Band and minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLM and will be advertised, at least two (2) Working Days prior to the Bid/Issue Opening Date, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Kannada newspaper, Kannada being the regional language of Karnataka where our Registered Office is located), along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company in consultation with BRLM will finalise the Issue Price.
Promoters’ Contribution	In terms of Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters which shall be considered as Promoters’ contribution and locked in for a period of eighteen months from the date of allotment.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue Price that is determined through the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.

Term	Description
Public Issue Account	The 'no-lien' and 'no-interest bearing' account to be opened under Section 40(3) of the Companies Act, 2013, with the Public Issue Account Bank to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Issue Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts will be opened, in this case being [●].
QIB Bid Closing Date	In the event our Company, in consultation with the BRLM, decides to close Bidding by QIBs one day prior to the Bid Closing Date, the date which is one day prior to the Bid Closing Date; otherwise, it shall be the same as the Bid Closing Date.
QIB Portion/QIB category	The portion of the Issue (including the Anchor Investor Portion), being not more than 50% of the Issue or [●] Equity Shares which shall be available for allocation to QIBs including the Anchor Investors, subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers/QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, and includes any addenda and corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three (3) Working Days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account(s)	The 'no-lien' and 'no-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through NACH, Direct Credit, RTGS or NEFT, as applicable.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars issued by SEBI.
Registrar Agreement	The registrar agreement dated March 10, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/RTAs	The registrar and the share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the websites of BSE and NSE.
Registrar to the Issue /Registrar	Cameo Corporate Services Limited
Retail Individual Bidders(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Resident Individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta) and Eligible NRIs.
Retail Portion	The portion of the Issue being not less than 35% of the Issue comprising of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis.
Revision Form	The form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can withdraw or revise their Bids until Bid/Issue Closing Date.
Self-Certified Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

Term	Description
	or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from the Bidders, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.
Sponsor Bank	[●], being a Banker to the Issue registered with SEBI, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI.
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited.
Syndicate Agreement	The agreement dated [●], entered into between the BRLM, the Syndicate Members, our Company and Registrar to the Issue in relation to the collection of the ASBA Forms by the Syndicate Members.
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place orders with respect to the Issue, and to carry out activities as an underwriter, in this case, [●].
Syndicate/ Members of the Syndicate	The BRLM and the Syndicate Members.
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS/Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreements	The agreement dated [●] entered into among the Underwriters and our Company on or after the Pricing Date but prior to the filing of the Prospectus with the RoC.
UPI	Unified Payment Interface.
Unified Payment Interface or UPI	Unified Payment Interface is an instant payment system developed by National Payments Corporation of India, which enables merging several banking features, seamless fund routing and merchant payments into one hood. It allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a persons' bank account.
UPI Circulars / SEBI UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI or any other governmental authority in this regard.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or a fraudulent borrower	A Company or person, as the case may be, categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or a fraudulent borrowers issued by the RBI, including any company whose director or promoter is categorized as such.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term

Term	Description
	Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges. “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs which are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.
Category II AIF	AIFs which are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category III AIF	AIFs which are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Category I FPI(s)	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations.
Category III FPI(s)	FPIs who are registered as Category III FPIs under the SEBI FPI Regulations, and shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act	Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act 2013	Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder.
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRAR	Capital to Risk Asset Ratio
CSR	Corporate Social Responsibility
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant’s Identity Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952

Term	Description
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instrument) Rules, 2019 duly amended
Financial Year/FY/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or ₹ Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
IPO	Initial public offering
IRDAI	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
IRR	Internal rate of return
IST	Indian Standard Time
Insolvency Code	Insolvency and Bankruptcy Code, 2016
ISIN	International Securities Identification Number in this case being INE0CG401037
IT	Information Technology
Lacs	Lakhs
LIBOR	London Inter-Bank Offer Rate
MCA	The Ministry of Corporate Affairs, GoI
Mn / mn	Million
MT	Metric Ton
MTPA	Metric Tonnes Per Annum
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NRO	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to

Term	Description
	undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PIO	Person of India Origin
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
ROE	Return on Equity
ROCE	Return on Capital Employed
RONW	Return on Net Worth
RTI	Right to Information, in terms of the Right to Information Act, 2005
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	The United States Securities Act of 1933.
STT	Securities Transaction Tax
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
TREDS	Trade Receivable Discounting System
TDS	Tax deducted at source
UAE	United Arab Emirates
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

Industry Related Terms

Term	Description
°C	Degree Celsius
CII	Confederation of Indian Industry
Cm ³	Cubic Centimetre
COVID-19	Coronavirus disease 2019
CU	Customs Union
DG	Diesel Generator
DHA	Docosahexaenoic Acid
EIA	Export Inspection Agency
EIC	Export Inspection Council
EPA	Eicosapentaenoic Acid
ETP	Effluent Treatment Plant
EU	European Union
FCR	Feed Conversion Rate
FFA	Free Fatty Acids
FSMS	Food Safety Management System
GDP	Gross Domestic Product
GVA	Gross value added
HACCP	Hazard Analysis Critical Control Point
HDPE	High Density Polyethylene
IFFO	International Fishmeal and Fish oil Organization
IIP	Index of Industrial Production
IMF	The International Monetary Fund
ISO	International Organisation for Standardization
Kg/cm ²	Kilogram per Square Centimetre
KV	Kilovolt
KVA	Kilovolt-ampere
LLC	Limited Liability Company
LLP	Limited Liability Partnership
MPEDA	Marine Products Export Development Authority
MS DRUMS	Mild Steel Drums
MSME	Micro, Small and Medium Enterprises
OMR	Omani Rial
PPM	Parts per Million
QA	Quality Assurance
QC	Quality Control
QMS	Quality Management System
R&D Division	Research and Development division
RO	Omani Rial
RPM	Revolutions per Minute
STP	Sewage Treatment Plant
Tk.	Bangladeshi Taka
TVBN	Total Volatile Based Nitrogen
TVN	Total Volatile Nitrogen
USD	United States Dollar

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 336, 77, 82, 175, 221, 276 and 314 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective Sections.

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

Certain Conventions

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

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

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Consolidated Financial Information. For further information, please see the Section titled “*Financial Information*” on page 221 of this Draft Red Herring Prospectus.

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 Restated Consolidated Financial Statements of our Company and its Subsidiary, associates and Joint Ventures for the six months period ended September 30, 2021 and Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 which comprise restated consolidated summary statement of assets and liabilities, the restated consolidated summary statement of profit and loss, the restated consolidated summary statement of cash flow and restated consolidated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian Accounting Standard (Ind AS) financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 26, 141 and 269 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Consolidated Financial Statements of our Company, prepared in accordance with Ind AS, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 26, 82 and 141 respectively, this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:

- 1 “Rupees” or “₹” or “INR” or “₹” are to Indian Rupee, the official currency of the Republic of India;
- 2 “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- 3 “Euro” or “€” are to Euros, the official currency of the European Union.

- 4 “OMR” or “RO” or “ر.ع.” are to Omani Rial, the official currency of the Sultanate of Oman.
- 5 “Tk.” Or “BDT” or “ট” are to Bangladeshi Taka, the official currency of the People’s Republic of Bangladesh.

Our Company has presented all numerical information in this Draft Red Herring Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in millions. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Draft Red Herring Prospectus 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:

Currency	Exchange Rate as on				
	September 30, 2021	September 30, 2020	March 31, 2021	March 31, 2020	March 31, 2019
1 USD*	74.26	73.80	73.53	75.38	69.17
1 Euro*	86.13	86.56	86.10	83.04	77.70
1 Tk.#	0.8669	0.8669	0.8635	0.8583	0.8254
1 RO#	192.89	191.0167	190.1051	195.6122	180.09

*Source: RBI reference rate

#Source: UK Exchange rate

*Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Saturday and Sunday, respectively.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLM or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 26, this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Certain information in “Industry Overview” and “Our Business” on pages 82 and 141, respectively of this Draft Red Herring Prospectus has been obtained, derived or extracted from our own in-house research from publicly available information, data, statistics, various government publication, industry sources and the industry report titled “Assessment of Fish Meal and Fish Oil Processing Industry in India” prepared by CRISIL dated March 11, 2022 which has issued the following disclaimer:

“CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Mukka Proteins Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information

obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."

In accordance with the SEBI ICDR Regulations, "*Basis for Issue Price*" on page 74 of this Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM has independently verified such information.

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

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

1. A reduction in the supply of raw materials i.e. Fish and Black Soldier Fly;
2. A downturn in the utility of our products to the industries we cater to;
3. A reduction in the demand of our products and/or competing products gaining wider market acceptance;
4. Loss of one or more of our key customers and/or suppliers;
5. An increase in the productivity and overall efficiency of our competitors;
6. An adverse change in the regulations governing our products and the products of our customers;
7. A decrease in the demand for the products of our customers;
8. Any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
9. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
10. Changes in technology and our ability to manage any disruption or failure of our technology systems;
11. Our ability to attract and retain qualified personnel;
12. Our ability to maintain and enhance our brand image;
13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Our reliance on third party suppliers for our products;
15. The performance of the financial markets in India and globally;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Occurrences of natural disasters or calamities affecting the areas in which we have operations;
18. Market fluctuations and industry dynamics beyond our control;
19. Our ability to compete effectively, particularly in new markets and businesses;
20. Changes in foreign exchange rates or other rates or prices;
21. Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
22. Other factors beyond our control;
23. Our ability to manage risks that arise from these factors;
24. Conflict of interest with our Promoters, Promoter Group and Group Companies and other related parties;
25. Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
26. Termination of customer contract and work contracts without cause and with little or no notice or penalty; and
27. Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*”

beginning on pages 26, 141 and 269, respectively, of this Draft Red Herring Prospectus. 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views of the management as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that the Investors are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Issue.

SUMMARY OF OFFER DOCUMENT

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the Sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Statements*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 26, 82, 276, 212, 221, 68, 141, 314 and 336, respectively.

A. Summary of Industry

Fishmeal and fish oil, which have a huge demand in aquaculture and animal feed industries, are the most important co-products made from stocks of fish.

The fishmeal and fish oil industry relies on fishing in oceanic waters for procurement of raw materials. In India, the peak season for fishing is August-December and the slack season is January-May. Fishing is not allowed in Indian waters during June-July as it is the monsoon season. Fishmeal and fish oil production follows the same season as fishing. The output is stocked to cater to the demand of domestic and exports market.

Fishmeal is predominantly used as a rich source of protein in compound feeds. Compound feed is animal feed made from a combination and mixture of various raw materials and additives. Non-compound feed has a single source ingredient.

Fishmeal carries large quantities of energy per unit weight and is an excellent source of proteins, lipids, minerals and vitamins and contains very less carbohydrates. It is easily digestible and considered as high-quality ingredient in aquaculture, poultry and animal feed industry. Fishmeal and fish oil is usually deemed unsuitable for direct human consumption, but fish protein concentrate (FPC), which is same as fishmeal but produced with high-quality inspection, is considered fit for human consumption.

The Indian fishmeal and fish oil industry began to flourish and develop only in the past 15-20 years on account of export demand following a reduction in global production of fishmeal and fish oil.

India accounts for a very low share in global fishmeal and fish oil production but has seen rapid rise over the past two decades; from 0.8% in CY 1990, the share increased to 1.5% in CY 2013 and 2.3% in CY 2020.

Global Animal feed Industry is also witnessing the growth of alternative proteins such as Insect-based nutrition which is rapidly emerging as a whole new category in animal food and feed systems. It has the potential to bring new value-added propositions based on its nutritional, functional, and environmental benefits.

For further details, please refer to the chapter titled “*Industry Overview*” on page 82 of this Draft Red Herring Prospectus.

B. Summary of Business

We are engaged in manufacturing of Fish Meal, Fish Oil and Fish Soluble Paste which is widely used as a raw material in aqua feed, poultry feed, pet feed, EPA-DHA extraction, animal feed, soap manufacture, leather tanneries & Paint industries across globally. We carry out our operations from our facilities located at Mangalore, Karnataka i.e. 1 (one) Fish Meal, Fish Oil and Fish Soluble Paste Manufacturing Plant, 2 (two) Fish Meal Blending Unit and 2 (two) facilities located at Gujarat i.e. 1 (one) Blending Unit at Porbandar and 1 (one) Blending Unit at Jaffrabad, Gujarat in India. Being located in the state of Karnataka and Gujarat provides us with a significant locational advantage. Our manufacturing facility in Mangalore is located along the coastline which provides easy access to the procurement of pelagic fishes such as Sardine, Mackerel, Anchovy etc. Our strategically located processing facilities ensure adequate and cost-effective supply of pelagic fishes, our primary raw material, as well as transportation of finished products, thereby enabling us to leverage economies of scale.

We are also engaged in the business of developing alternative proteins under the banner of Ento Proteins Private Limited which is a Joint venture (JV) between Mukka Proteins Limited (MPL) and Holocene Ecosolutions Private Limited. The company produces Insect meal from Agri / organic wet waste by deploying Black soldier Fly Larve (BSFL) in municipal solid waste (MSW) plants in partnership with municipal governments under PPP Model. The

company has successfully implemented its maiden project in the city of Mangaluru and trial runs are going on in Bengaluru in association with Brahat Bengaluru Municipal Palike (BBMP).

For further details, please refer to chapter titled “*Our Business*” and “*History and Certain Corporate Matters*” on pages 141 and 182 of this Draft Red Herring Prospectus.

C. Promoters

Mr. Kalandan Mohammed Haris, Mr. Kalandan Mohammed Althaf and Mr. Kalandan Mohammad Arif are the Promoters of our Company.

For further details please see chapter titled “*Our Promoters and Promoter Group*” beginning on page 212 of this Draft Red Herring Prospectus.

D. Issue

Initial public offering of upto 8,00,00,000 equity shares of face value ₹ 1/- each (“equity shares”) of our Company for cash at a price of ₹ [●] per equity share (including a securities premium of ₹ [●] per equity share) (the “issue price”), aggregating upto ₹ [●] million.

For further details, please see chapter titled “*The Issue*” beginning on page 47 of this Draft Red Herring Prospectus.

E. Object of the Issue

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

₹ in million)

Particulars	Estimated Amount
Working Capital Requirements	[●]
Part re-payment of Working Capital Limit	[●]
General Corporate Purposes	[●]
Issue Related Expenses	[●]
Net Proceeds	[●]

For further details, please see chapter titled “*Objects of the Issue*” beginning on page 68 of this Draft Red Herring Prospectus.

F. Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters and Promoter Group:

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
Promoters		
Kalandan Mohammed Haris	6,89,21,870	31.33%
Kalandan Mohammed Althaf	3,67,84,210	16.72%
Kalandan Mohammad Arif	3,67,84,210	16.72%
Total Promoters Shareholding (A)	14,24,90,290	64.77%
Promoter Group		
Kalandan Abdul Razak	1,67,20,000	7.60%
Umaiyya Banu	79,88,520	3.63%
Aisha Shabnam Haris	400	0.00%
Razeena Khatheer	400	0.00%
Zareena Banu	400	0.00%
Total Promoters Group Shareholding (B)	2,47,09,720	11.23%
Total Promoters & Promoters Group (A+B)	16,72,00,010	76.00%

For further details, please see chapter titled “*Capital Structure*” on page 58 of this Draft Red Herring Prospectus.

G. Summary of Restated Consolidated Financial Information

A summary of restated financial information as per the Restated Consolidated Financial Information is provided below:

(₹ in Millions, except otherwise mentioned)

Particulars	For the six months ended September 30, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Share Capital	55.00	55.00	55.00	55.00
Net Worth	732.68	665.23	565.50	439.86
Revenue from Operation	2,652.36	6,038.34	5,492.48	4,087.89
Profit after Tax	60.69	110.10	135.74	136.81
Earnings per share^ (In ₹)	0.28	0.50	0.62	0.62
Net Asset Value Per Equity Share^ (In ₹)	3.33	3.02	2.57	2.00
Total Borrowing	1,784.42	1,591.93	1,416.76	828.71

Notes:

- EPS and NAV not annualised for September 30, 2021.
- as restated, divided by number of equity shares outstanding at the end of the period/year after giving retrospective effect of bonus issue and split of Equity Shares post restated period i.e., after September 30, 2021.
- Post-split of face value and Bonus allotment, the total no. of equity shares has been increased to 22,00,00,000 from 5,50,000 without any fresh infusion of equity capital.

For further details, please refer the Section titled “Capital Structure” and “Financial Information as restated” on page 58 and 221 of this Draft Red Herring Prospectus.

H. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

I. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters and our Directors is provided below:

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in Rupees)
I. Litigations filed against our Company			
a.	Litigation involving Actions by Statutory/Regulatory Authorities	1	NIL
b.	Litigation Involving Indirect Tax Liabilities	1	₹ 3,59,68,782/- (Rupees Three Crores Fifty-Nine Lakhs Sixty-Eight Thousand Seven Hundred and Eighty-Two Only)
c.	Other Pending Litigations	1	NIL
II. Litigations filed by our Company			
a.	Litigation involving Criminal Matters	1	₹ 3,00,00,000/- (Rupees Three Crores Only)
b.	Litigation involving Actions by Statutory/Regulatory Authorities	2	NIL
c.	Litigation Involving Direct Tax Liabilities	6	₹ 5,05,12,065/- (Rupees Five Crores Five Lakhs Twelve Thousand Sixty-Five Only)
d.	Other Pending Litigations	4	₹ 11,67,68,548/- (Rupees Eleven Crores Sixty-Seven Lakhs Sixty-Eight Thousand Five Hundred and Forty-Eight Only)

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in Rupees)
III. Litigations filed against our Subsidiaries			
a.	Litigations involving actions by statutory/regulatory authorities	2	NIL
b.	Other Pending Litigations	7	₹ 20,27,799/- along with 12% p.a. from the date of Order and unascertainable in others
IV. Litigations filed by our subsidiaries			
a.	Litigations involving actions by statutory/regulatory authorities	6	₹ 2,00,000/- (Rupees Two Lakhs Only) and unascertainable in others
b.	Other Pending Litigations	3	₹ 2,89,48,675/- (Rupees Two Crores Eighty-Nine Lakhs Forty-Eight Thousand Six Hundred and Seventy-Eight Only)
V. Litigations filed against our Directors			
a.	Litigation involving Indirect Tax Liabilities	2	₹ 21,00,000/- (Rupees Twenty-One Lakhs Only)
VI. Litigations filed by our Directors			
a.	Litigation involving criminal matters	2	₹ 6,00,000/- (Rupees Six Lakhs Only)
VII. Litigations filed against our Promoters			
a.	Litigation involving Indirect Tax Liabilities	2	₹ 21,00,000/- (Rupees Twenty-One Lakhs Only)
VIII. Litigations filed by our Promoters			
a.	Litigation involving criminal matters	2	₹ 6,00,000/- (Rupees Six Lakhs Only)
IX. Litigations filed by our Group Companies			
a.	Litigations involving actions by statutory/regulatory authorities	2	NIL
b.	Other Pending Litigations	1	₹ 3,38,567.09/- (Rupees Three Lakhs Thirty-Eight Thousand Nine Paise Only)

For further details, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 276 of this Draft Red Herring Prospectus.

J. Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 26 of this Draft Red Herring Prospectus.

K. Summary of Contingent Liabilities

Following are the details as per the Restated Consolidated Financial Information:

Particulars	(₹ in million)			
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
A) Disputed Tax Liability				
(i) Income tax Liabilities	50.51	50.51	50.51	-
B) Corporate guarantee given for:	1602.94	869.44	100.00	90.00
(i) Haris Marine Products Private Limited	120.00	120.00	100.00	-

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
(ii) Shipwaves Online Private Limited	-	-	-	10.00
(iii) Ocean Aquatic Proteins LLC, Oman	99.44	99.44	-	-
(iv) Mukka Proteins Limited	1383.50	650.00	-	-

For further details, please see the chapters titled “*Restated Consolidated Financial Statement*” beginning at page 221 of this Draft Red Herring Prospectus.

L. Summary of Related Party Transactions

Following are the details as per the Restated Consolidated Financial Information:

(₹ in million)

(a) Transactions of Mukka Proteins Limited:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Remuneration	18.30	34.10	24.00	24.00
Remuneration to Relative of KMP	-	2.50	3.00	3.00
Loan Taken	-	10.80	29.40	174.80
Loan Repaid	-	8.48	143.38	85.38
Expenses Incurred on Behalf of Mukka Proteins Ltd	-	-	4.50	3.17
Rent paid	1.20	1.81	1.44	1.17
Rent Received	5.18	10.17	7.28	1.19
Interest Received	-	1.75	1.77	-
Interest Paid	-	-	7.44	3.99
Loan given	0.82	47.98	82.89	57.10
Investment Made	-	31.28	-	18.87
Investment Sold	-	-	1.94	-
Purchase of goods	703.64	2,018.94	1,653.69	1,808.22
Sale of Goods	225.91	169.99	111.28	126.13
Professional Charges	0.67	-	-	-
Donation Expenses	-	-	0.90	1.90
Freight Expenses	89.55	255.32	129.81	119.82
Advances Given for Expenses and Goods	-	-	-	56.22

(b) Transactions of Haris Marine Products Private Limited:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Repayment of Loan	-	29.33	-	-
Rent paid	0.04	0.04	0.04	-
Rent received	0.58	1.08	0.49	-
Purchase of goods	200.56	252.03	101.50	-
Sale of Goods	1.89	194.07	56.04	-
Freight Expenses	8.58	10.65	-	-
Salary paid	0.72	0.36	-	-

(c) Transactions of Atlantic Marine Products Private Limited:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Sale of Goods	208.05	539.67	199.08	NA
Acceptance of Loan	-	-	89.56	NA
Freight	-	3.09	-	NA
Rent	0.30	0.24	-	NA
Repayment of Loan	7.59	1.50	-	NA
Director Remuneration	-	0.50	-	NA

(d) Transactions of Ento Proteins Private Ltd:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Loans taken	10.91	0.10		

(d) Transactions of Ocean Aquatic Proteins LLC, Oman:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Shipping Charges	7.45	19.11	14.23	1.28
Rent	4.92	9.94	7.13	1.07
Sales	105.38	85.43	199.58	55.61
Machinery Purchase	1.59	-	13.54	3.80
Interest on Loan	-	1.84	1.81	-
Reimbursement	-	2.58	-	2.86
Sales Machinery	-	1.46	-	-
Loan taken			52.56	
Loan repaid		52.56		

For further details please refer “*Restated Consolidated Financial Information – Related Party Transactions*” at page 249 of this Draft Red Herring Prospectus.

M. Financing Arrangements

None of our Promoter, members of the Promoter Group, Directors or their relatives has entered into any financing arrangements to finance or have financed the purchase by any other person of the Equity Shares other than in the normal course of business of the financing entity during the six months preceding the date of this Draft Red Herring Prospectus.

N. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter*	No. of Equity Shares acquired	Face Value (in ₹)	Weighted average Price per Equity Share (in ₹)
Kalandan Mohammed Haris	68,01,510	1/-	Nil (Bonus Share)
Kalandan Mohammed Althaf	36,30,030	1/-	Nil (Bonus Share)
Kalandan Mohammad Arif	36,30,030	1/-	Nil (Bonus Share)

*As certified by Shah & Taparia, Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022

O. Average Cost of Acquisition of Shares for Promoters

The average cost of acquisition of Shares for the Promoters is as follows:

Name of Promoter*	No. of Equity Shares held	Face Value (in ₹)	Average Cost of Acquisition (in ₹)
Kalandan Mohammed Haris	6,89,21,870	1/-	0.13
Kalandan Mohammed Althaf	3,67,84,210	1/-	0.14
Kalandan Mohammad Arif	3,67,84,210	1/-	0.09

*As certified by Shah & Taparia, Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022

P. Pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

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

Following are the details of equity shares issued in the last one year for consideration other than cash or through bonus:

Date of Allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price (In ₹)	Consideration	Reason for Allotment	Benefit accruing to the company
January 18, 2022	1,65,00,000	10/-	Nil	N. A.	Bonus Allotment	Capitalization of Reserves

For further details, please refer to chapter titled - “*Capital Structure*” on page 58 of this Draft Red Herring Prospectus.

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

The face value of our equity shares has been sub divided from Face value of ₹ 100/- each to Face Value of ₹ 10/- each on December 29, 2021 and further it was sub divided to Face Value of ₹ 1/- each on February 28, 2022. Except as mentioned herein, our Company has not undertaken any further split or consolidation of Equity Shares in the last one year till the date of this Draft Red Herring Prospectus. For further details, please refer to chapter titled - “*Capital Structure*” on page 58 of this Draft Red Herring Prospectus.

SECTION II: RISK FACTORS

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or any other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Consolidated Financial Information prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “Our Business” beginning on page 141, “Industry Overview” beginning on page 82 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 269 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 2 of this Draft Red Herring Prospectus.

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 risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative;*
- *Some risks may not be material at present but may have a material impact in the 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. Unless otherwise stated, the financial information of the Company used in this Section is derived from our financial statements under Ind AS, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. 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 factor over another.

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

Unless otherwise indicated, industry and market data used in this Section has been derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

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

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

INTERNAL RISK FACTORS:

BUSINESS RELATED RISKS

1) *Our Company, its Subsidiaries, Associates, Joint Ventures, its Promoters, its Directors and its Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

Our Company is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums.

Mentioned below are the details of the proceedings pending against our Company, its Subsidiaries, its Promoters and its Directors as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the Materiality Policy for litigations, as approved by the Company in its Board meeting held on February 25, 2022:

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in Rupees)
X. I.	Litigations filed against our Company		
d.	Litigation involving Actions by Statutory/Regulatory Authorities	1	NIL
e.	Litigation Involving Indirect Tax Liabilities	1	₹ 3,59,68,782/- (Rupees Three Crores Fifty-Nine Lakhs Sixty-Eight Thousand Seven Hundred and Eighty-Two Only)
f.	Other Pending Litigations	1	NIL
XI.	Litigations filed by our Company		
e.	Litigation involving Criminal Matters	1	₹ 3,00,00,000/- (Rupees Three Crores Only)
f.	Litigation involving Actions by Statutory/Regulatory Authorities	2	NIL
g.	Litigation Involving Direct Tax Liabilities	6	₹ 5,05,12,065/- (Rupees Five Crores Five Lakhs Twelve Thousand Sixty-Five Only)
h.	Other Pending Litigations	4	₹ 11,67,68,548/- (Rupees Eleven Crores Sixty-Seven Lakhs Sixty-Eight Thousand Five Hundred and Forty-Eight Only)
XII.	Litigations filed against our Subsidiaries		
c.	Litigations involving actions by statutory/regulatory authorities	2	NIL
d.	Other Pending Litigations	7	₹ 20,27,799/- along with 12% p.a. from the date of Order and unascertainable in others
XIII.	Litigations filed by our subsidiaries		
c.	Litigations involving actions by statutory/regulatory authorities	6	₹ 2,00,000/- (Rupees Two Lakhs Only) and unascertainable in others
d.	Other Pending Litigations	3	₹ 2,89,48,675/- (Rupees Two Crores Eighty-Nine Lakhs Forty-Eight Thousand Six Hundred and Seventy-Eight Only)

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in Rupees)
XIV.	Litigations filed against our Directors		
b.	Litigation involving Indirect Tax Liabilities	2	₹ 21,00,000/- (Rupees Twenty-One Lakhs Only)
XV.	Litigations filed by our Directors		
b.	Litigation involving criminal matters	2	₹ 6,00,000/- (Rupees Six Lakhs Only)
XVI.	Litigations filed against our Promoters		
b.	Litigation involving Indirect Tax Liabilities	2	₹ 21,00,000/- (Rupees Twenty-One Lakhs Only)
XVII.	Litigations filed by our Promoters		
b.	Litigation involving criminal matters	2	₹ 6,00,000/- (Rupees Six Lakhs Only)
XVIII.	Litigations filed by our Group Companies		
c.	Litigations involving actions by statutory/regulatory authorities	2	NIL
d.	Other Pending Litigations	1	₹ 3,38,567.09/- (Rupees Three Lakhs Thirty-Eight Thousand Nine Paise Only)

**The aforementioned amounts have been recorded to the extent they are quantifiable. The amounts mentioned above may be subject to additional interest rates and/or penalties being levied by the concerned authorities for delay in making payment or otherwise. Amount of interest and/ or penalty that may be levied is unascertainable as on the date of this Draft Red Herring Prospectus.*

There can be no assurance that these litigations will be decided in our favour or in favour of our Subsidiaries, Promoters, Directors and/or Group Companies and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us our Subsidiaries, Promoters, Directors and/or Group Companies, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For further details pertaining to material pending outstanding litigations involving us, our Promoters, Directors and our Group Companies, kindly refer to the chapter titled “Outstanding Litigations and Material Developments” beginning on page 276 of this Draft Red Herring Prospectus.

- 2) ***The Company is party to a legal proceeding concerning an alleged violation by the Company of environmental norms. An adverse outcome of the proceeding could have an impact on our Company’s operations at its Sasithulu manufacturing facility.***

A writ petition has been filed by certain parties before the Hon’ble High Court of Karnataka, Bengaluru against our Company and others inter-alia alleging various environmental issues caused by the factory of the Company at Sasithulu and the factories of the other parties. The petitioners have inter-alia alleged that the factory of the Company is in violation of Coastal Regulation Zone Notification (CRZ Notification), 2011, which has imposed a specific ban inter alia on setting up and expansion of fish processing units. The petitioners have sought reliefs to direct the Company to immediately cease operations and permanently shut down its industry at Sasithulu. The Company has filed its statement of objections to the said writ petition denying all the allegations made by the petitioners and bringing on record the correct and applicable facts in its defence especially indicating that the provisions of CRZ Notification, 2011, is not applicable to the Company and its factory unit is in existence much before the year 1991 and operation of such fishing processing unit is legal and such position has been accepted by the Coastal Zone Regulatory authorities. The Hon’ble High Court of Karnataka, Bengaluru, has passed an interim order inter-alia directing the Jurisdictional Environmental Officer of Karnataka Pollution Control Board and the representative of District Environmental Zone Management Committee to visit the industry/property occupied by the Company and submit a detailed report in the context of allegations made. The Karnataka Pollution Control Board has submitted its Inspection Report to the Hon’ble High Court of Karnataka and the matter is pending. For further details, please see the chapter titled “Outstanding Litigations and Material Developments” beginning on page 276 of this DRHP. Any adverse outcome of such legal proceedings may entail partial

closure of the factory unit of the Company or imposition of monetary penalty on the Company thereby affecting its business, results of operations and financial condition.

- 3) ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which are either received or applied for or are in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business and revenues.

If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please see chapters titled “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” beginning on pages 175 and 292 respectively of this Draft Red Herring Prospectus.

- 4) ***We operate in an environmentally sensitive industry and are subject to disruptions due to unpredictable or unseasonal weather.***

Our business operations are sensitive to weather conditions, including conditions such as cyclonic storms and unpredictable rainfall. Changes in the weather due to severe, unpredictable or unseasonal changes in the weather can have an adverse impact on our operations across our value chain including but not limited to the procurement operations and processing activities. We may be subjected to decreased availability of raw fish which is the primary raw material for our products on account of severe and unexpected rainfall. Particularly, El Niño effect which is warming of the ocean surface or above-average sea surface temperatures, which develops approximately every 2 to 7 years and lasts anywhere from between 6 to 24 months, could have an effect on the distribution of fish species resulting in migration and may lead to a decline in fish population. According to Indian Council of Agricultural Research - CMFRI report on Indian oil sardine, availability of fish in the ocean water is affected by factors that are classified as (i) environmental, such as El Niño and erratic rainfall; (ii) biological, such as spawning failure, competition from other species of fish, and lack of food; and (iii) anthropogenic, such as overfishing. *Source: CRISIL Report* Further, the State Governments in India impose a ban on fishing during the monsoon season for propagating breeding and accordingly, raw fish is not available in the State of Gujarat and the State of Karnataka for approximately 2 (two) months. Such decreased availability of raw fish may in turn increase our acquisition cost of such fish. Any such events may result increase in prices of our raw materials or in the shutdown of our operations at our processing facilities and can have a material adverse effect on our business, financial condition and results of operations

- 5) ***The widespread contamination due to man-made factors affecting the pelagic fish populations could adversely affect our business, financial condition and results of operations.***

Any widespread contamination such as oil spills could contaminate the pelagic fish population and/or capture areas and the same may have an adverse impact on the supply of such fish. Any such contamination event in India or elsewhere could adversely affect the demand for our products or our reputation and brand, and require us to incur significant remedial expenditures, subject our business to increased regulatory or customer scrutiny and adversely affect our business. This could have a material adverse effect on our business, financial condition and results of operations.

- 6) ***Our production and operations are subject to seasonal fluctuations.***

Our business operations are dependent on the regular supply of fresh and quality raw fish, in particular pelagic fish. Raw fish supply may be affected by supply disruption and price volatility resulting from availability of quality supply from the sea and relative consumer demand, regulatory developments, as well as environmental factors and natural disasters beyond our control.

7) *Failure to provide the specified quality of fish meal, fish oil and fish soluble paste could have a negative impact on our business.*

As part of our fish meal and fish oil processing business, pelagic fish, our primary raw material, are required to be handled and transported at specific temperatures. In insulated trucks with sufficient ice. These pelagic fish may be subject to contamination by disease or pathogens. While our manufacturing process involves the cooking method which will enable elimination of pathogens, any use of contaminated fish may affect the eventual quality of our products. We may face the risk of legal proceedings and product liability claims from end-consumers and government agencies for various reasons including for low quality products sold. Further, our customers demand a specific quality of fish meal, fish oil and fish soluble paste. We manufacture different grades of fishmeal. These grades require certain specific levels of protein, sand/silica, moisture, fat, ash, salt, TVN and histamine (max) to be maintained in the fishmeal. Therefore, we are required to conduct quality checks at all times on our products to ensure that such levels are maintained for which we have engaged EIA certified staff. However, if we consistently, or frequently, fail to maintain the prescribed and / or requisite quality, we may be unable to retain our customers which will have an adverse impact on our business, growth prospects and our financial results. Fish meal is predominantly used as a rich source of protein in compound feeds. Compound feed is animal feed made from a combination and mixture of various raw materials and additives. *Source: CRISIL Report.* Fish oil is inter-alia used in aquaculture feed, cattle feed and leather industry and fish soluble paste is used in aquaculture feed, swine culture and cattle culture. In the event, the correct composition of the above parameters is not maintained in our products, then the same may adversely affect the eventual consumers of the above products. If the products delivered by us do not meet the requirements specified by our customers, then our customers may dispose of the products in a manner convenient to them, and the cost of such disposal may be adjusted from payments due to us.

In the event that we fail to maintain the prescribed and / or requisite quality standards, we could be in breach of our commitment to our customers which could lead, amongst others, to monetary damages. In addition, given that a majority of the products handled by us are ultimately used for feed, we face potential liabilities which may not be addressed by the insurance coverage obtained by us. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation and brand image, as well as entail significant costs in excess of available insurance coverage, which could adversely affect our reputation, business, results of operations and financial condition.

8) *Our Company does not have any formal long-term arrangements with the suppliers. Any significant variation in the supply may adversely affect the operations and profitability of our Company.*

Our raw fish supply is sourced from third party suppliers, including vendors, agents and local fishermen in the domestic market. We purchase such fish in the open market at spot rates. Though we prefer to deal with a set of suppliers with whom we have a long-standing relationships, we have not entered into any fixed supply agreement or any other arrangement with any of our suppliers. These suppliers have accorded their trust and service based on our long operating history in the industry, our credit worthiness and our goodwill. However, in the absence of written agreements, our suppliers are not bound to supply raw fish to us and can withdraw their commitments from us at any time.

We also do not have any control over the fishing operations of these fishermen. While we conduct quality checks on the raw fish purchased by us from such fishermen, there can be no assurance that such fishermen have complied or will continue to comply with the quality standards required by us. In addition, there can be no assurance that such fishermen will continue to maintain requisite licenses and approvals for the conduct of their own operations.

In addition, fishermen that we procure our raw fish from may be unable to provide us with raw fish of requisite quality at a suitable price for us to meet the demand for our products. This may lead to an increase in our raw material costs, or require us to source raw fish from other suppliers, which we may be unable to do at competitive prices, or at all. Interruption of, or shortage in, or increase in the cost of supply of raw fish may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in sales and profits, which could adversely affect our business, results of operations and financial condition.

In case any of our suppliers discontinue their relationship with us, we may have to procure the raw fish from other suppliers. While we are not significantly dependent on any single raw fish supplier, raw fish supply can be volatile due to a number of factors beyond our control. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw fish in the future, as and when we need them on commercially acceptable terms.

- 9) ***We are subject to the legal and regulatory framework of the international markets where we export our products and may not always be able to comply with applicable rules and regulations or may be adversely affected in the event of introduction of international trade barriers.***

Our business operations are subject to the legal and regulatory framework of the various international markets where we export our products. An inability to comply with applicable rules and regulations or maintain requisite licenses or certifications with respect to our processing facilities, procurement and processing operations, and raw material and product quality, or an inability to otherwise comply with applicable laws, may result in the prohibition on sale of, our products in such markets. Any prohibition on sale of our products resulting from any such regulatory non-compliance may materially and adversely affect our business prospects, results of operations and financial condition.

In addition, we export our products to various international markets based on purchase orders executed by our customers. Any disputes arising from the sale of our products in pursuance of the purchase orders may be governed by the laws of the jurisdiction in which either such customer or importing entity is incorporated or established, or the relevant jurisdiction to which our product is being exported. It may be prohibitively expensive or otherwise impracticable for us to pursue, enforce or effectively defend, any claims in legal proceedings initiated in such courts or other applicable judicial or regulatory forum in such international jurisdictions.

The export of our products from India to international markets may be adversely affected in the event of introduction of international trade barriers. Our existing or potential international markets may become inaccessible or less accessible to us resulting from import restrictions or trade barriers that may be introduced. In the event that our key export markets implement any regulatory or policy measures prohibiting or limiting the import of fish meal or fish oil products, or introduce measures that result in an increase in the cost of the fish meal and fish oil products imported from India, our ability to export products to such markets may be adversely affected, consequently materially and adversely affecting our business prospects, results of operations and financial condition.

- 10) ***An inability to comply with applicable health and hygiene standards or quality standards in our operations and ensure quality of our products may materially and adversely our business and reputation.***

Our business operations, processing facilities and products are subject to regular inspections to ensure compliance with applicable health and hygiene standards and product quality requirements under applicable regulations or as stipulated by our customers. These inspections are carried out from time to time by various governmental and non-governmental agencies, including the Marine Products Exports Development Authority. Further, the quality of our products is inspected by the Export Inspection Agency from time to time. In addition, our processing facilities and operations have received various certifications and accreditations required by our customers, such as accreditations from independent third-party agencies such as Certificate of ISO 22000:2018, Certificate of ISO 22000:2005, Certificate of ISO 9001:2015, IFFO membership, GMP+ and Halal. These certifications are renewed from time to time on completion of various inspections carried out by such agencies. These inspections involve quality standards and process protocols relating to the manufacture of steam sterilized fish meal, fish oil and soluble paste. Compliance with all applicable regulatory and customer specified quality standards is critical to our business, as any actual or perceived non-compliance with process protocols or any quality of our products may result in cancellation of customer orders or discontinuation of future orders from customers. In addition, if we fail to meet the required health and hygiene standards for products set by authorities and certification agencies, we may be required to take remedial measures to ensure compliance with such standards.

There can also be no assurance that the licenses or accreditations received by us will not be cancelled or revoked by such agencies in the event we are unable to comply with such standards, or effectively remedy any such non-compliance in a timely manner. Any failure to meet the requisite standards of hygiene may also affect our ability to export products and meet customer delivery timelines. In addition, Indian and foreign regulatory authorities may impose additional quality standard requirements, which may result in increased compliance costs for our operations or result in restrictions on the ability to export our products, which could materially and adversely affect our business, results of operations and financial condition.

- 11) ***Intellectual property rights are important to our business. Failure to get approval for intellectual property rights may adversely affect our business. We may be unable to protect them from being infringed by others, including our current and / or future competitors/employees which may adversely affect our business value, financial condition and results of operations.***

Our Company has applied for registration of our trademark and corporate logo “Mukka Proteins Limited”, with the Trademarks Registry and presently, the application is pending. For further details, please see chapter titled “Government and Other Statutory Approvals” beginning on page 292 of this DRHP. However, there can be no assurance that said application will succeed. If our Company is unable to obtain registration thereof, we may still continue to use the

corporate logo but remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. We may also need to change our corporate logo which may adversely affect our reputation and business and could require us to incur additional costs. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page 141 of this Draft Red Herring Prospectus

12) *The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.*

The COVID-19 pandemic has had a severe impact across sectors, both domestically as well as internationally. In order to contain the spread of COVID-19 virus, the Government of India had announced successive lock-downs. During the period of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Our fishmeal is used for the production of animal feed and since the animal feed industry was classified as an essential service, our manufacturing plants were operational even during the lock-down.

Further, while restrictions imposed to curb spread of the COVID-19 virus have been significantly relaxed, however, any further unforeseen spread of the COVID-19 virus across, may cause one or more states to impose further regional or local lockdowns. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

Further, our ability to ensure the safety of our workforce and continuity of operations while conforming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employee contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facilities or our offices, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facilities, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, the timely availability of vaccines or medicines in India and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

13) *We are susceptible to exchange rate fluctuations*

A large portion of our revenue from operations is generated from the export of our products to customers in international markets. Our revenue from exports for Fiscal 2019, Fiscal 2020, Fiscal 2021 was approx. 64%, 61% and 65% respectively, of our revenue from operations. We are, therefore, exposed to significant risks relating to exchange rate fluctuations. In addition, because our financial statements are presented in Indian Rupees, we are subject to translation risk, which is the risk that our financial statements for a particular period or as of a certain date depend on the prevailing exchange rates of other currencies, against the Indian Rupee. The exchange rate between the Indian Rupee and other foreign currencies has changed considerably in recent years and may further fluctuate in the future. Such fluctuations in currency exchange rates may impact our results of operations. Currently, the Company has been hedging foreign currency risk through forward cover sanctioned limit to the extent of INR 1450.00 Million. In the event, we do not continue to hedge our risks, we may, be exposed to risks arising from exchange rate fluctuations and may not be able to pass on all losses on account of foreign currency fluctuations to our customers.

14) *We are dependent on our Promoters and Directors for the functioning of our business and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.*

We are dependent on our Promoter Directors and Chief Operations Officer for setting our strategic business direction and managing our business who have extensive experience in the fishmeal industry in India. Our Company is led by our Promoters Kalandan Mohammed Haris having experience of more than 20 years, Kalandan Mohammad Arif having experience of more than 15 years and Kalandan Mohammed Althaf who have an experience of more than 18 years in the fish meal industry. Kalandan Mohammed Haris conceptualized and promoted Indian Fish Meal Association and developed strong linkages with IFFO, the Marine Ingredients Organisation. Kalandan Mohammed Althaf looks after the international business development, sales and marketing and is instrumental in handling the finance and banking relationships of the Company. The experience of our Promoters helps us in assessing market opportunities, estimating future potential of our products, and positioning ourselves in the market accordingly. Our Promoter and Whole Time Director, Kalandan Mohammad Arif is responsible for strategic sourcing of fish and supply chain operations and handles the day-to-day plant operations of the Company. The loss of the services of our Directors, or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

15) *A significant majority of our revenues from operations are derived from a limited number of customers.*

During Fiscal 2019, Fiscal 2020, Fiscal 2021, our top 5 (five) customers contributed 70.65%, 82.11%, and 80.57%, respectively, of our total revenue from operations. However, the composition and revenue generated from these clients might change as we continue to add new customers in the normal course of business. Our revenues may be adversely affected if there is an adverse change in any of the supply chain strategies of our customers or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such clients.

Our business from our customers is dependent on our continuing relationship with such customers, the quality of our products, competitive pricing and our ability to timely deliver on their orders, and there can be no assurance that such customers will continue to do business with us in the future on commercially acceptable terms or at all. Further, we do not enter into long term purchase agreements with our customers. We have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long term relationship with them. Significant dependence on a select and small group of clients may increase the potential volatility of our results of operations. Further any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. A loss of any of our significant customers, a decrease in the volume of products our customers demand from us may materially and adversely affect our business, operations, financial condition, results of operations and prospects.

16) *Failure to comply with environmental laws and regulations could lead to unforeseen environmental litigation which could impact our business and our future net earnings.*

We are subject to various national and state laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the clean-up of contaminated sites. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditures to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our facilities.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict and ascertain.

17) *Any inability on our part to collect amounts owed to us or pay amounts owed by us could result in the reduction of our profits.*

Our operations involve extending credit for extended periods of time to our customers and consequently, we face the risk of uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. As per restated consolidated financial statement, as of September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, our group trade receivables were ₹ 413.59 million, ₹ 478.86 million, ₹ 349.97 million and ₹ 284.91 million, respectively. Our Company has availed insurance from ECGC for commercial and country risk of our export receivables to the extent of ₹ 300.00 million and the Company also avails letters of credit issued by prime lending banks for its exports. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Further, we also have high levels of outstanding payable and as of September 30, 2021, March 31, 2021, March 31, 2021 and March 31, 2021, our trade payables were ₹ 617.39 million, ₹ 1000.59 million, ₹ 814.75 million and ₹ 597.41 million respectively. The financial condition of our clients, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our clients or suppliers or that we will accurately assess their creditworthiness. Any material non-payment or non-performance by our clients' suppliers or other counterparties could adversely affect our financial condition, results of operations and cash flows.

The longer credit period granted to our clients compared to that offered by our suppliers may potentially result in certain cash flow mismatches. We cannot assure you that we will not experience any significant cash flow mismatches in the future or that our cash flow management measures will function properly, or at all. If we fail to properly manage the possible cash flow mismatches, our financial condition, results of operations and cash flows could be materially and adversely affected.

18) *We are currently entitled to certain Export incentives. Any decrease in or discontinuation of such Export incentives or export promotion schemes may adversely affect our results of operations and financial performance.*

The Government of India, Ministry of Commerce and Industry announces Export Import Policy every five years as per the Foreign Trade Policy (FTP) and may notify amendments in the applicable policies and rates from time to time. As our Company is also into Export of its products and avails various benefits as notified by the Government in the form of Remissions of Duties and Taxes on Exported Products (RoDTEP) and Duty Draw back., so any decrease in or discontinuation of such Export incentives or export promotion schemes may adversely affect our results of operations and financial performance.

19) *We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.*

The fish meal industry is highly competitive. We expect that competition will continue to intensify both through the entry of new players and consolidation of existing players. Our competitors may succeed in developing products that are more effective or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Our current competitors include domestic and international players, some of which may be better integrated vertically in the production, processing and distribution of fish meal and fish oil. Some of our competitors may have greater financial resources, better distribution networks, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to changing consumer preferences and market requirements, at prices equal to or lower than those of our products. Increased competition may result in our inability to differentiate our products from those of our competitors, which may lead to a loss of market share. Our ability to compete also depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable products and the extent of our competitor's responsiveness to customer needs. Our inability to adequately address competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations.

20) *An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth depends, amongst other factors, on establishing new processing facilities and expanding our existing processing capacity. Our ability to achieve growth will be subject to a range of factors, including, ability to

identify trends and demands in the industry, competing with existing companies in our markets, continuing to exercise effective quality control, hiring and training qualified personnel.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. Our future growth also depends on expanding our sales network to enter new markets in new geographies, through different sales channels. We face increased risks when we enter new markets, in both India and abroad. We may find it more difficult to hire, train and retain qualified employees. In addition, we may have difficulty finding reliable suppliers with adequate supplies of raw fish meeting our quality standards. As a result, the products we introduce in new markets may be more expensive to produce and/or distribute and may take longer to reach expected sales and profit levels than in our existing markets, which could affect the viability of these operations or our overall profitability.

Our expansion plans and business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems and internal controls on a timely basis and to expand, train, motivate and manage our workforce which may place significant demands on our management, financial and other resources. We cannot assure you that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. There can be no assurance that we will be able to achieve our business strategy, on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

21) *Any disruption in the supply chain could have an adverse impact on our business, financial condition, cash flows and results of operations.*

Our ability to manufacture, transport, and sell our products is critical to our success. Any disputes with our transporters, including disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers on timely basis and could materially and adversely affect our product sales, financial condition, and results of operations. In addition, any disruption to our third-party transportation services availed by us, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control or the control of our transporters, could impair our ability to manufacture or sell our products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events or to effectively manage such events if they occur could adversely affect our business. The occurrence of any of these factors could result in a significant decrease in the sales volume of our products and therefore adversely affect our financial condition, cash flows and results of operations.

22) *Any significant interruption in continuing operations of our processing or storage facilities could have a material adverse effect on our business, results of operations, cash flows and financial condition.*

We currently own and operate 1 (one) manufacturing facility, 2 (two) blending units, 1 (one) warehouse at Mangalore, Karnataka, 2 (two) blending units at Gujarat. These facilities are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages or disputes, shortage of skilled labour, natural disasters, directives from government agencies, water shortages, power interruptions, performance below expected levels of output or efficiency, obsolescence, severe weather, industrial accidents, our inability to respond to technological advances and emerging industry standards and practices in the industry. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair the malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same.

Our fish oil is required to be maintained in tanks with FFA value and consequently, any malfunction of the storage facility may affect the stored products, resulting in loss of the products and slowing down our operations, which may adversely affect our business and prospects. Although we have not experienced any significant disruptions at our processing facilities in the past, we cannot assure you that there will not be any significant disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations, cash flows and financial condition.

23) *Our business is dependent on the delivery of adequate and uninterrupted supply of electrical power and water at a reasonable cost and any shortage, disruption or non-availability of power and water may adversely affect our entire processing requirements and have an adverse impact on our business, results of operations and financial condition.*

We face certain risks with regard to the operation of our processing facilities. Adequate and cost-effective supply of electrical power and water is critical to our operations. We rely on the power grid for electricity for our facilities. There may be power cuts in the supply provided by the electricity board from time to time. Although we have diesel generators to meet the exigencies at our facilities, we cannot assure you that our facilities will be operational during longer power failures. An interruption in or limited supply of electricity may result in suspension of our operations. A prolonged suspension in production could materially and adversely affect our business, financial condition or results of operations. Further, if the per unit cost of electricity is increased by state electricity boards, our power costs will increase. It may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins.

Our operations and facilities are especially dependent on a steady and stable supply of water, and irregular or interrupted supply of water, or government intervention are factors that could adversely affect our daily operations. If there is an insufficient supply of water to satisfy our requirements or a significant increase in prices, we may need to limit or delay our production, which could adversely affect our business, financial condition and results of operations. We cannot assure you that we will always have access to sufficient supply of power and water in the future to accommodate our requirements and planned growth. Accordingly, any increase in power costs and water costs could adversely affect our financial condition.

24) *Our pursuit of inorganic growth opportunities such as acquisitions and joint ventures may not be successful and could result in increased costs.*

As part of our growth strategy, we look to evaluate potential opportunities to acquire businesses, processing facilities, establish joint ventures, enter into strategic partnerships with local partners as well as acquisition of brands that would complement our existing business and enable us to have increased access to customers and to consolidate our market position with an extensive sales and distribution network. However, we may not be able to identify suitable companies, consummate a transaction on terms that are favourable to us, or achieve expected returns and other benefits as a result of integration challenges. There can be no assurance that we will be able to successfully integrate the acquired businesses into our existing operations. Our acquisition strategy involves various risks and challenges, including the diversion of management's attention from our business operations; the potential loss of key employees and customers of the acquired businesses; uncertainties that may impair our ability to attract, retain and motivate key personnel; potential deficiencies in financial control and statutory compliance in the acquired entities; an increase in our expenses and working capital requirements; a failure to achieve cultural compatibility and other benefits expected from an acquisition; and exposure to unanticipated liabilities of the acquired companies. All of these factors could adversely affect our business, financial condition, results of operations and prospects. In addition, we may require additional financial resources for the successful expansion or reorganization of these recently acquired businesses and integrating their operations into our operations. An inability to raise adequate finances in a timely manner and on commercially acceptable terms for the acquisition, expansion, reorganization or integration of these businesses with our existing operations could materially and adversely affect our business, results of operations and financial condition.

25) *Changes in technology may affect our business by making our processing facilities or equipment less competitive or obsolete.*

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs in upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology and high fuel costs may make newer plants or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

26) *Failure to procure and/ or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.*

We have obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, building (including plinth), plant, machinery, vehicles, furniture, fittings and stocks (including fish meal & fish oil). While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

27) *Our Company is dependent on third parties for transportation and export of our finished products and any disruption in their operations or a decrease in the quality of their services could affect smooth execution of projects thereby our Company's reputation and results of operations also.*

Our ability to manufacture, transport, and sell our products is critical to our success. Our Company uses third party transportation providers for delivery of our finished goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. Our Company exports its finished products through its group company namely Shipwaves Online Private Limited, a digital freight forwarder in the end-to-end logistics space. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operations negatively. An increase in the freight and/or transport costs or unavailability of containers/trucks for transportation of our finished products may have an adverse effect on our business and results of operations. Any disputes with our transporters, including disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers on timely basis and could materially and adversely affect our product sales, financial condition, and results of operations.

Further, disruptions of freight and/or transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, terrorism, pandemics, or other events beyond our control or the control of our transporters, could impair ability to deliver our products on time. The occurrence of any of these factors could result in a significant decrease in the sales volume of our products and therefore adversely affect our financial condition, cash flows and results of operations.

28) *We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results*

We rely on the skills, expertise and experience of our employees to provide continuous and quality products to our clients. For instance, we require experienced and EIA certified technologists to carry out quality checks and inspections at all stages of the manufacturing process of our products. The quality assurance team carries out frequent checks on the process and product specifications as per our quality assurance plans, prepared and issued by the technical team to ensure that the same meets industry standards. Our employees may terminate their employment with us prematurely and we may not be able to retain them. Experienced and EIA certified technologists in our industry are highly sought after, and competition for talent is intense. Further, we also require labour for the manufacturing process. If we experience any failure to attract and retain competent personnel or any material increase in labour costs as a result of the shortage of skilled labour, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

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

We have entered into certain transactions with our related parties including our Promoters, the Promoter Group, Group Companies, our Directors and their relatives. While we have taken care that all such transactions have been entered into on the arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer section "Related Party Transactions" on page 249 of Restated Consolidated Financial Information under chapter titled "Restated Financial Information" beginning on page 221.

30) *We do not own some of the business premises where our manufacturing facilities and warehouses are located*

Our Registered Office and main manufacturing plant at Mangalore is owned by the Company. However, some of the premises used by our Company for our business purposes are taken on lease/rent for term of 11 months to 60 months. If any such lease/rent agreements under which we occupy the premises are not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations. There can be no assurance that renewal of lease/rent agreements with the owner will be entered into. In the event of non-renewal of lease/rent arrangements, we may be required to shift our business premises to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one. For more details on properties taken on lease by our Company, please refer Section “Material Properties” in the chapter titled — “Our Business” beginning on page 141 of the Draft Red Herring Prospectus.

31) *Our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.*

We are dependent on labour force for carrying out our operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management’s attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management’s attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

32) *We may be held liable for the non-payment of wages to the contract labour we engage in our business.*

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, we engage contract labour at some of our manufacturing facilities. Although we do not employ such contract labour directly, we may be held responsible for any wage payments to be made to such contract labour in the event of default by the third-party agencies, who employ them. If we are required to pay the wages of the independent contract labour, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on a contract basis.

33) *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.*

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans based on our Restated Financial Information was ₹ 1536.02 million, as on September 30, 2021. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have significant adverse effect on our business, financial condition or results of operations. For further details of the secured loans availed by us, please see chapter titled “Financial Indebtedness” beginning on page 265 of this Draft Red Herring Prospectus.

34) *We have availed unsecured loans from our Directors which are repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our cash flows.*

As on September 30, 2021, we have unsecured loans amounting to ₹ 248.40 million as per our Restated Financial Information of which ₹ 46.02 million are from the Treds bill discounting platform and unsecured loans aggregating to ₹ 200.30 million from our directors and related parties etc., which are repayable on demand to the relevant lender. Further, these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand

from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please see the chapter titled “Restated Financial Information” beginning on page 221 of this Draft Red Herring Prospectus

- 35) *We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.*

We have entered into agreements for secured short term and long-term borrowings with certain lenders. As on September 30, 2021, an aggregate of ₹ 1536.02 million towards secured loans, on a consolidated basis, was outstanding towards loans availed from banks. The credit facilities availed by us are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantees given by our Promoters. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to us may be recalled with penal interest. This could severely affect our operations and financial condition. Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure, diversifying business, advance or repay loans, effect any dividend pay-out in case of delays in debt servicing, effect any change in shareholding pattern and management control of the Company (which would include issuance of equity shares pursuant to this Issue) amongst others. In addition, any breach of financial or non-financial covenant may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, such breach and relevant actions by the lenders could also trigger enforcement action by other lenders pursuant to cross-default provisions under certain of our financing agreements. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances would have an adverse effect our business, results of operation and financial condition. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

- 36) *We have certain contingent liabilities that have not been provided for in Restated Financial Statements which if materialised, could adversely affect our financial condition.*

As per our Restated Financial Statements, as on September 30, 2021, our contingent liabilities are as follows:

Particulars	30th September 2021 (₹in Million)
A) Disputed Tax Liability	
(i) Income tax Liabilities	50.51
B) Corporate guarantee given for:	1602.94
(ii) Haris Marine Products Private Limited	120.00
(iii) Ocean Aquatic Proteins LLC, Oman	99.44
(iii) Mukka Proteins Limited	1383.50

In the event any such contingencies mentioned above were to materialise or if our contingent liabilities were to increase in future, our financial condition could be adversely affected. For further details, please see “Restated Financial Statements” beginning on page 221, under the chapter titled “Restated Financial Information” beginning on page 221 of this Draft Red Herring Prospectus.

37) Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use Net Proceeds from the Issue towards (a) Part re-payment of Working Capital Limit; (b) Working Capital Requirement; (c) General Corporate Expenses; and (d) Issue Related Expenses. For further details of the proposed objects of the Issue, please see chapter titled "Objects of the Issue" beginning on page 68. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval by way of a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

38) Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

39) Our Group Company, Shipwaves Online Private Limited has incurred losses in the previous financial years.

Sustained financial losses by our Group Company namely Shipwaves Online Private Limited, a start-up digital freight forwarder, may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations. Our Group Company, Shipwaves Online Private Limited has incurred losses in previous financial years as below:

Financial Performance of Shipwaves Online Private Limited

(₹ in Million, except otherwise mentioned)

Particulars	Year Ending March 31, 2021	Year Ending March 31, 2020	Year Ending March 31, 2019
Authorised Capital.	100.00	100.00	100.00
Face Value	10.00	10.00	10.00
Paid-up Equity Capital	0.50	0.50	0.50
Reserves & Surplus	-27.18	-28.02	-16.42
Net-Worth	-26.68	-27.52	-15.92
Revenue from Operation	426.64	229.63	335.66
Profit after tax	0.84	-11.60	0.77
Earnings per share (Basic & Diluted) (in ₹)	16.80	-232.00	15.40

Particulars	Year Ending March 31, 2021	Year Ending March 31, 2020	Year Ending March 31, 2019
Net Asset Value per Equity Shares (in ₹)	-533.60	-550.40	-318.40

- 40) *Our Promoters and certain members of our Promoter group have issued personal guarantees in relation to debt facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.*

Our Promoters and certain members of our Promoter group have provided their personal guarantees in relation to our secured debt facilities availed from our Bankers. In the event any of these guarantees are revoked, then the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. For further details, please see the chapter titled “*Financial Indebtedness*” beginning on page 265 of this Draft Red Herring Prospectus.

- 41) *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.*

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

- 42) *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 220 of this Draft Red Herring Prospectus.

- 43) *Our Promoters and some of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.*

Some of our Directors are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares, For details, please see the Sections entitled. We cannot assure you that our Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters and Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see chapters titled “*Our Management*” and “*Our Promoters and Promoter Group*” on pages 194 and 212, respectively.

- 44) *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.*

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

45) The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.

Our Promoters average cost of acquisition of Equity Shares in our Company could be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “Capital Structure” beginning on page 58 of this Draft Red Herring Prospectus.

46) We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.

We have issued equity shares in the last twelve months at a price which may be lower than the Issue Price. Details of such issuance are given in the table below:

Date of Allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price (In ₹)	Consideration	Reason for Allotment
January 18, 2022	1,65,00,000	10/-	Nil	N. A.	Bonus Allotment

For further details of Equity Shares issued, please refer to chapter titled, ‘Capital Structure’ beginning on page 58 of this Draft Red Herring Prospectus.

47) Qualification certificates and business/industry experience documents of some of our Promoters & Directors are not available/traceable.

Our Promoters and Directors are qualified and have requisite experience to run the fish meal and insect meal business of our Company and also manage the day-to-day affairs of the Company. However, the documents evidencing qualification and business/industry experience of some of our Promoters and Directors as mentioned in the DRHP are not available/traceable.

ISSUE SPECIFIC RISKS

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 74 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

50) *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 Promoters 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 Promoters 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 Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

51) *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on 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 have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

52) *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.

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

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

EXTERNAL RISK FACTORS:

- 54) *Significant differences exist between Ind AS 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.***

Our Restated Financial Statements 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 restated in accordance with the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019) issued by the ICAI. 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 Draft Red Herring Prospectus, 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. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes 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. For instance, the Government of India announced the Union Budget for Fiscal 2022, pursuant to which the Finance Bill 2022 has proposed various amendments which will only come into effect upon receipt of Presidential assent to the bill. Under the Finance Bill, 2022.

In addition, unfavourable 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 relating to compliance with such new requirements, which may also require 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.

- 56) *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. 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. The rate of economic liberalization could change, and specific laws and policies affecting the fishmeal sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, and our business, prospects, financial condition and results of operations, in particular.

- 57) *We are subject to regulatory, economic and 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. Our Equity Shares are proposed to be listed on the BSE and the NSE, subject to the receipt of the final listing and trading approvals from the Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares 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;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India's various 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;
- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- 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;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India's tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

58) *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. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/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.

60) *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 for 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.

61) *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

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

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the results of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

SECTION III: INTRODUCTION

THE ISSUE

Following table summarizes the present Issue in terms of this Draft Red Herring Prospectus:

Particulars	Details of Equity Shares
Issue of Equity Shares	Up to 8,00,00,000 Equity Shares of ₹1/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] million.
<i>of which:</i>	
(a) QIB Portion	Not more than [●] Equity Shares
<i>of which</i>	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares
<i>of which</i>	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion (excluding the Anchor Investor Portion))	Up to [●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares
(b) Non-Institutional Portion	Not less than [●] Equity Shares
(c) Retail Portion	Not less than [●] Equity Shares
Pre- and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	22,00,00,000 Equity Shares
Equity Shares outstanding after the Issue*	30,00,00,000 Equity Shares
Utilization of Net Proceeds	For details, see the Section titled “Objects of the Issue” on page 68.

* Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Issue Procedure” on page 314.

The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on February 25, 2022 and by our Shareholders pursuant to a resolution passed at the EGM held on February 28, 2022.

Allocation to Bidders in all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see the Section titled “Issue Procedure” on page 314.

SUMMARY OF FINANCIAL INFORMATION

MUKKA PROTEINS LIMITED

(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)

Annexure I
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(All amounts in ₹ million, unless otherwise stated)

₹ in Million

Particulars	Note No.	As at			
		30th September 2021 Restated	31st March 2021 Restated	31st March 2020 Restated	31st March 2019 Restated
ASSETS					
Non-Current assets					
Property, Plant and Equipment	2	795.46	775.58	768.94	475.24
Work in Progress	2	8.09	40.28	21.85	-
Intangible Assets	2	0.13	0.26	0.34	0.46
Investment Property	3	14.02	14.22	14.63	15.03
Financial Assets					
Investment	4	140.06	117.50	34.95	78.47
Loans	4	0.78	0.31	0.48	0.59
Other Financial Asset	4	12.19	12.68	14.18	6.14
Income Tax Assets	5	13.31	13.33	14.85	10.50
Total Non-Current Assets		984.04	974.15	870.23	586.43
Current assets					
Inventories	6	1,147.61	1,498.69	1,150.89	900.34
Financial Assets					
Trade Receivables	7	413.59	478.86	349.97	284.91
Cash and Cash Equivalents	8	50.02	31.53	14.91	6.91
Other bank balances	9	22.54	10.35	1.60	2.19
Loans	4	210.44	184.63	217.48	69.77
Other Financial Assets	4	113.81	93.57	69.39	71.86
Other Current Assets	10	382.52	276.16	256.69	86.00
Total Current Assets		2,340.53	2,573.80	2,060.93	1,421.98
Total Assets		3,324.57	3,547.95	2,931.15	2,008.41
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	11	55.00	55.00	55.00	55.00
Other Equity	12	677.68	610.23	510.50	384.86
Non Controlling Interest		16.67	34.01	12.01	1.12
Total Equity		749.35	699.24	577.51	440.98
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	13	153.09	169.21	139.30	163.59
Other Financial Liabilities	18	-	-	-	-
Provisions	14	10.50	3.99	10.42	1.58
Deferred Tax Liabilities (Net)	15	23.91	27.31	20.84	25.90
Other Non-Current Liabilities	16	5.65	5.39	8.17	4.43
Total Non-Current Liabilities		193.15	205.90	178.72	195.51
Current Liabilities					
Financial Liabilities					
Borrowings	13	1,631.33	1,422.72	1,277.46	665.12
Trade Payables	17	617.39	1,000.59	814.75	597.41
Other Financial Liabilities	18	25.34	13.39	22.62	34.67
Other Current Liabilities	16	45.99	170.02	19.27	41.60
Provisions	14	19.85	3.34	2.60	0.54
Income Tax Liabilities	19	42.18	32.75	38.21	32.59
Total Current Liabilities		2,382.07	2,642.81	2,174.92	1,371.93
Total Equity and Liabilities		3,324.57	3,547.95	2,931.15	2,008.41

Significant Accounting Policies

1

The accompanying notes referred above form an integral part of Financial Statements

MUKKA PROTEINS LIMITED

(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)

Annexure II
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	in Million			
		Period ended 30th September, 2021 Restated	Year ended 31st March, 2021 Restated	Year ended 31st March, 2020 Restated	Year ended 31st March, 2019 Restated
REVENUE					
Revenue from Operations	20	2,652.36	6,038.34	5,492.48	4,087.89
Other Income	21	25.71	99.39	78.42	29.01
Total Revenue		2,678.07	6,137.73	5,570.90	4,116.90
EXPENSES					
Cost of Materials Consumed	22	1,781.80	5,483.09	4,724.34	3,868.86
Changes in Inventories of Finished Goods	23	352.59	(345.64)	3.94	(405.16)
Employees Benefit Expenses	24	88.74	149.67	83.10	58.68
Finance Costs	25	48.92	80.21	72.08	43.38
Depreciation & Amortization Expenses	26	50.78	83.43	46.91	24.29
Other Expenses	27	261.82	532.43	443.23	331.93
Total Expenses		2,584.65	5,983.17	5,373.59	3,921.98
Profit Before Tax and Exceptional Items		93.42	154.56	197.31	194.92
EXCEPTIONAL ITEMS	28	-	-	-	(6.89)
Profit Before Tax		93.42	154.56	197.31	188.03
Tax Expenses :					
Current Tax		33.52	27.69	45.16	43.78
Earlier years		-	12.70	19.46	-
Deferred Tax		(0.79)	4.06	(3.06)	7.44
Profit for the period		60.69	110.10	135.74	136.81
Other Comprehensive Income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit plans		(6.14)	7.15	(5.98)	0.24
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(5.51)	4.48	(0.21)	(2.86)
Total other comprehensive income		(11.66)	11.63	(6.20)	(2.62)
Total comprehensive income for the period		49.03	121.73	129.54	134.19
Profit for the year attributable to:					
Shareholders of the Company		75.99	89.76	131.76	142.90
Non-controlling interests		(15.30)	20.34	3.98	(6.09)
Other comprehensive income for the year attributable to:					
Shareholders of the Company		(9.62)	9.97	(6.12)	(1.76)
Non-controlling interests		(2.04)	1.66	(0.08)	(0.86)
Earnings per Equity Share : Basic	31	0.28	0.50	0.62	0.62
Earnings per Equity Share : Diluted		0.28	0.50	0.62	0.62
Significant Accounting Policies					
The accompanying notes referred above form an integral part of Financial Statements	1				

MUKKA PROTEINS LIMITED

(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)

Annexure III
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	in Million			
		Period Ended 30th September 2021 Restated	Year Ended 31st March 2021 Restated	Year Ended 31st March 2020 Restated	Year Ended 31st March 2019 Restated
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax		93.42	154.56	197.31	188.03
Adjustment for :					
Depreciation / Amortization		50.78	83.43	46.91	24.29
Interest Expenses		37.58	73.27	57.19	40.73
Interest on Capital & Remuneration from partnership firm		-	(11.70)	(8.24)	(3.59)
Rent Received		(1.00)	(2.52)	(6.30)	(3.33)
Deferred Subsidy		-	(0.30)	(0.30)	(0.32)
Interest Income		(0.09)	(5.01)	(1.77)	(2.43)
(Profit)/ Loss on Sale of Fixed Assets		(0.00)	(3.34)	-	0.20
Share of Profit/Loss of Associate and Joint Venture		(10.85)	(38.21)	(24.39)	(6.33)
		76.42	95.62	63.09	49.20
Operating profit before working capital changes		169.84	250.18	260.40	237.23
Adjustment for :					
Inventories		351.09	(347.80)	(250.55)	(405.16)
Trade and Other Receivables		(87.11)	(136.50)	(393.27)	(155.65)
Trade Payables		(383.20)	185.84	217.34	98.91
Other Current Liabilities		(123.78)	148.27	(18.29)	41.33
Provisions		9.30	5.94	4.70	(1.99)
Other Financial liabilities		11.96	(9.24)	(12.05)	27.97
		(221.74)	(153.50)	(452.12)	(394.59)
Net Cash Generated from Operating activity		(51.90)	96.68	(191.73)	(157.36)
Income Tax Paid		(24.10)	(45.85)	(58.99)	(45.33)
Net Cash from operating activities		(76.00)	50.82	(250.71)	(202.70)
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets / capital works-in-progress		(37.64)	(106.77)	(363.95)	(190.52)
Sale proceeds from FA		0.04	4.51	-	0.70
Interest received		0.09	5.01	1.77	2.43
Interest on Capital & Remuneration Received from firm		-	11.70	8.24	3.59
Share of Profit/Loss of Associate and Joint Venture		10.85	38.21	24.39	6.33
Rent Received		1.00	2.52	6.30	3.33
Net (Increase) / Decrease in Investments		(22.57)	(82.55)	43.52	(57.49)
Net cash used in investing activities		(48.23)	(127.37)	(279.72)	(231.61)
C. CASH FLOW FROM FINANCIAL ACTIVITIES					
Changes in borrowings - Non Current		(16.12)	29.92	(24.30)	106.23
Interest Paid		(37.58)	(73.27)	(57.19)	(40.73)
Changes in borrowings - Current		208.60	145.26	612.34	268.38
Proceeds from Issue of Shares to Non Controlling Interest		(0.00)	0.00	6.99	8.07
Net Cash from financial activities		154.90	101.91	537.85	341.96
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS					
Cash and Cash equivalents at the beginning		41.88	16.51	9.10	101.46
Cash and Cash equivalents at the close		72.56	41.88	16.51	9.10

Significant Accounting Policies

The accompanying notes referred above form an integral part of Financial Statements

GENERAL INFORMATION

Our Company was originally incorporated as “**Mukka Sea Food Industries**”, a Partnership firm in the state of Karnataka on March 13, 2003. Subsequently, the Partnership Firm converted to Private Limited Company as “**Mukka Sea Food Industries Private Limited**” on November 04, 2010 vide certificate of incorporation bearing Corporate Identity No. U05004KA2010PTC055771 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, Karnataka. Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by ROC-Bangalore, consequent upon conversion from Private Limited to Public Company dated December 02, 2019 in the name of “**Mukka Sea Food Industries Limited**” vide Corporate Identification Number U05004KA2010PLC055771. Subsequently, name of the Company changed to “**Mukka Proteins Limited**” vide a fresh certificate of incorporation pursuant to change of name issued by ROC-Bangalore, dated August 06, 2021.

Registered Office of our Company

Mukka Corporate House,
Door No. 18-2-16/4, First Cross,
NG Road, Attavara,
Dakshina Kannada,
Mangaluru – 575001, Karnataka
CIN: U05004KA2010PLC055771
Telephone: 0824 4252889
E-mail: cs@mukkaproteins.com
Investor Grievance ID: investors@mukkaproteins.com
Website: www.mukkaproteins.com

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate office.

Registrar of Companies

Our Company is registered with the Registrar of Companies - Bangalore, Karnataka situated at the following address:

Office of the Registrar of Companies - Bangalore, Karnataka

E' Wing, 2nd Floor Kendriya Sadana,
Bangalore – 560034
Karnataka, India

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Karkala Shankar Balachandra Rao	Chairman & Independent Director	03589394	Flat No. 501, Leela Mansion, Kodialguthu, Mangaluru City, Dakshina Kannada, Karnataka – 575003
Kalandan Mohammed Haris	Managing Director & CEO	03020471	19-10-624, Umayya, B.R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
Kalandan Mohammed Althaf	Whole Time Director & CFO	03051103	19-10-623/12, Umaiya Garden, Vanamalidas Compound, BR Karkera Road, Near Telecom Office, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
Kalandan Mohammad Arif	Whole Time Director	03020564	Door No 19-10-623/11, Umayya Garden, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
Kalandan Abdul Razak	Non-Executive Director	02530917	#19-10-624, Umayya, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
Umaiyya Banu	Non-Executive Director	03051040	19-10-624 UMAIYA, B R Karkera Road, Near Telecom House, Pandeshwar,

Name	Designation	DIN	Address
			Mangalore, Dakshinna Kannada, Karnataka-575001
Hamad Bava	Independent Director	09448423	Flat No. 208, Mak Grand, Behind Colaco Hospital, Bendoorwell, Kankanady, Mangalore – 575002, Karnataka
Narendra Surendra Kamath	Independent Director	07255904	9-89, Anugraha, Central House, Goldsmith Street, Mulki, Dakshina Kannada, Mangalore – 574154, Karnataka

For further information on our Directors, see “*Our Management*” beginning on page 194.

Company Secretary and Compliance Officer

Mehaboobsab Mahmadvous Chalyal is our Company Secretary and Compliance Officer. His contact details are as follows:

Mukka Corporate House,
Door No. 18-2-16/4, First Cross,
NG Road, Attavara,
Dakshina Kannada,
Mangaluru – 575001, Karnataka
Telephone: 0824 4252889
E-mail: cs@mukkaproteins.com

Investor grievances

Bidders are advised to contact the Company Secretary and Compliance Officer, the BRLM and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

Details of Key Intermediaries pertaining to this Issue of our Company:**Book Running Lead Manager****Finshore Management Services Limited**

‘Anandlok’, Block-A, 2nd Floor, Room No. 207,
227 A.J.C Bose Road, Kolkata-700020, West Bengal

Telephone: 033 – 22895101

Email: ramakrishna@finshoregroup.com

Contact Person: Mr. S. Ramakrishna Iyengar

Website: www.finshoregroup.com

Investor Grievance Email: info@finshoregroup.com

SEBI Registration No: INM000012185

CIN No: U74900WB2011PLC169377

Registrar to the Issue**Cameo Corporate Services Limited**

"Subramanian Building", #1, Club House Road,
Chennai - 600 002, India

Telephone: +91-44-40020700, 28460390

Facsimile: +91-44-28460129

Email: investor@cameoindia.com

Contact Person: Mr. R.D. Ramasamy, Director

Website: www.cameoindia.com

SEBI Registration Number: INR000003753

CIN No: U67120TN1998PLC041613

Legal Advisor to the Issue**Kanga & Co.**

Readymoney Mansion,
43, Veer Nariman Road,
Mumbai - 400 001, India.

Telephone: + 91 22 66230000

Fax: + 91 22 66339656

Email: chetan.thakkar@kangacompany.com

Contact Person: Chetan Thakkar

Website: www.kangacompany.com

Statutory and Peer Review Auditor of our Company**Shah & Taparia, Chartered Accountant**

203, Centre Point Building, 100, Dr. Babasaheb Ambedkar Road
Opp. Bharat Mata Theatre, Parel, Mumbai – 400012

Telephone: +91 22 42116800

Email: info@shahtaparia.com

Website: www.shahtaparia.com

Contact Person: Mr. Bharat Joshi

Membership No.: 130863

Firm Registration No.: 109463W

Peer Review Certificate No.: 013634 dated 22.10.2021

Banker to our Company**HDFC Bank Limited**

8/24, SALCO Centre, 4th Floor,
Richmond Road, Bangalore - 560025
Contact person: Mr. Vibhash Ranjan
Telephone: 9632856700
E-mail: vibhash.ranjan@hdfcbank.com
Website: www.hdfcbank.com

Yes Bank Limited

Municipal No. 3, Prestige Obelisk,
Kasturba Road, Bengaluru - 560001
Contact person: Mr. Neelash K
Telephone: 9895255499
E-mail: neelash.k@yesbank.in
Website: www.yesbank.in

Banker to the Issue/ Escrow Collection Bank / Refund Bank / Sponsor Bank/ Public Issue Bank**[●] Bank Limited**

Address:

[●]

Contact person: [●]**Telephone:** [●]**E-mail:** [●]**Website:** [●]**SEBI Registration No:** [●]**Syndicate Member**

[●]

Address:

[●]

Contact person: [●]**Telephone:** [●]**E-mail:** [●]**Website:** [●]**Designated Intermediaries***Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

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

SCSBs enabled for UPI Mechanism

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

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of BSE and NSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx and on the website of NSE at www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm, respectively as updated from time to time.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and on the website of NSE at www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, respectively as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required. However, ICRA has assigned [ICRA] BBB- (stable) for Long Term and [ICRA] A3 for Short Term.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Brokers to the Issue

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

Debenture Trustees

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

Monitoring Agency

Our Company will appoint [●] as monitoring agency (Credit rating agency registered with the SEBI) in accordance with Regulation 41 of the SEBI ICDR Regulations, if the issue size exceeds ₹1000.00 million, before filing of the Red Herring Prospectus.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by an appraising entity.

Expert Opinion

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

Our Company has received written consent dated March 16, 2022 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 Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated March 16, 2022 on our restated consolidated financial information; and (ii) its report dated March 16, 2022 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Inter-se Allocation of Responsibilities

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

Filing

A copy of this Draft Red Herring Prospectus dated March 18, 2022 shall be submitted to SEBI by way of an e-mail at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI through its circular dated March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD” and will be filed with SEBI electronically on the SEBI intermediary portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 with the RoC at its office and through the electronic portal.

Changes in Auditors during the last three years

There have been no changes in the auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size will be decided by our Company in consultation with the BRLM and advertised in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and all editions of Kannada newspaper [●] (Kannada being the regional language of Karnataka where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid / Issue Opening Date in accordance with SEBI ICDR Regulations and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid / Issue Closing Date.

All Bidders, except Anchor Investors, shall mandatorily participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue. Bidders should note that this Issue is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 311 and 314, respectively.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Issue Procedure*” on page 314.

Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

The Underwriters have indicated their intention to underwrite the following number of Equity Share:

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
[●]	[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

The Board/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

CAPITAL STRUCTURE

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

₹ in million			
No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
•	Authorized Share Capital		
	30,00,00,000 Equity Shares of ₹1/- each	300.00	--
•	Issued, Subscribed & Paid-up Share Capital prior to the Offer		
	22,00,00,000 Equity Shares of ₹1/- each	220.00	--
•	Present issue in terms of the Draft Red Herring Prospectus		
	Fresh Public Issue up to 8,00,00,000 Equity Shares of face value of ₹1/- each at a Price of ₹ [●] per Equity Share ⁽¹⁾	[●]	[●]
	<i>Of which</i>		
	QIB Portion of not more than [●] Equity Shares	[●]	[●]
	Non-Institutional Portion of not less than [●] Equity Share	[●]	[●]
	Retail Portion of not less than [●] Equity Share	[●]	[●]
•	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	30,00,00,000 Equity Shares of face value of ₹1/- each	300.00	[●]
•	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		[●]

⁽¹⁾ The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on February 25, 2022, and by the shareholders of our Company vide a special resolution passed pursuant to Section 23 of the Companies Act, 2013 at the EGM held on February 28, 2022

Classes of Shares

Our Company has only one class of share capital i.e., Equity Shares of face value of ₹ 1/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 7,00,00,000 consisting of 7,00,000 Equity Shares of ₹ 100/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Amendment / Shareholders' Resolution	Nature of Amendment	AGM/EGM
October 29, 2018	The Authorized Share Capital of the company was increased from ₹ 7,00,00,000 divided into 7,00,000 equity shares of ₹ 100/- each to ₹ 8,00,00,000 divided into 8,00,000 equity shares of ₹ 100/- each.	EGM
December 29, 2021	The Face Value of the Company has been sub-divided from ₹ 100/- each fully paid-up to ₹ 10/- each fully paid-up. The Authorized Share Capital of the company was increased from ₹ 8,00,00,000 divided into 80,00,000 equity shares of ₹ 10/- each to ₹ 30,00,00,000 divided into 3,00,00,000 equity shares of ₹ 10/- each.	EGM
February 28, 2022	The Face Value of the Company has been sub-divided from ₹ 10/- each fully paid-up to ₹ 1/- each fully paid-up. Consequently, the equity shares of the Company increased from 3,00,00,000 equity shares of ₹ 10/- each to 30,00,00,000 equity shares of ₹ 1/- each	EGM

Notes to Capital Structure

1. Share Capital History

a) History of Equity Share capital of our Company

The following table sets forth the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value per Equity Share (In ₹)	Issue Price per Equity Share (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in ₹)
On Incorporation*	5,50,000	100/-	100/-	Cash	Subscription to Memorandum of Association ⁽¹⁾	5,50,000	5,50,00,000
Pursuant to a resolution passed by our Shareholders at the EGM dated December 29, 2021, the Equity Shares of face value of ₹ 100/- each were sub-divided into Equity Shares of face value of ₹ 10/- each. Therefore, the cumulative number of issued, subscribed and paid-up Equity Shares, pursuant to sub-division was increased from 5,50,000 equity shares of ₹ 100/- each to 55,00,000 Equity Shares of ₹ 10/- each ⁽²⁾ .							
January 18, 2022	1,65,00,000	10/-	Nil	N. A.	Bonus Issue ⁽³⁾	2,20,00,000	22,00,00,000
Pursuant to a resolution passed by our Shareholders at the EGM dated February 28, 2022, the Equity Shares of face value of ₹ 10/- each were sub-divided into Equity Shares of face value of ₹ 1/- each. Therefore, the cumulative number of issued, subscribed and paid-up Equity Shares, pursuant to sub-division was increased from 2,20,00,000 equity shares of ₹ 10/- each to 22,00,00,000 Equity Shares of ₹ 1/- each ⁽⁴⁾ .							

* Date of Incorporation of our Company is November 04, 2010

1. Subscription to the Memorandum of Association dated November 04, 2010

Sl. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Kalandan Abdul Razak	100/-	100/-	Subscription to MoA	164,180
2.	Kalandan Mohammed Haris	100/-	100/-	Subscription to MoA	13,510
3.	Kalandan Mohammed Althaf	100/-	100/-	Subscription to MoA	49,250
4.	Kalandan Mohammad Arif	100/-	100/-	Subscription to MoA	7,080
5.	Umaiyya Banu	100/-	100/-	Subscription to MoA	81,280
6.	Nachipadpu Abdulla Abdul Salam	100/-	100/-	Subscription to MoA	155,870
7.	Nechipadappu Abdulla Abdul Sayed	100/-	100/-	Subscription to MoA	78,830
Total					5,50,000

2. Sub-division of shares dated December 29, 2021

Sl. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Kalandan Abdul Razak	10/-	-	Sub-division	5,50,000
2.	Umaiyya Banu	10/-	-	Sub-division	2,62,780
3.	Kalandan Mohammed Haris	10/-	-	Sub-division	22,67,170
4.	Kalandan Mohammed Althaf	10/-	-	Sub-division	12,10,010
5.	Kalandan Mohammad Arif	10/-	-	Sub-division	12,10,010
6.	Aisha Shabnam Haris	10/-	-	Sub-division	10
7.	Razeena Khatheerja	10/-	-	Sub-division	10
8.	Zareena Banu	10/-	-	Sub-division	10
Total					55,00,000

3. Bonus Issue in the ratio of 3:1 dated January 18, 2022, i.e., 3 (three) New Equity shares for every 1 (one) share held by the shareholder as per details given below

Sl. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Kalandan Abdul Razak	10/-	-	Bonus Issue	16,50,000
2.	Umaiyya Banu	10/-	-	Bonus Issue	7,88,340
3.	Kalandan Mohammed Haris	10/-	-	Bonus Issue	68,01,510

Sl. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature Of Allotment	Number Of Equity Shares Allotted
4.	Kalandan Mohammed Althaf	10/-	-	Bonus Issue	36,30,030
5.	Kalandan Mohammad Arif	10/-	-	Bonus Issue	36,30,030
6.	Aisha Shabnam Haris	10/-	-	Bonus Issue	30
7.	Razeena Khatheeja	10/-	-	Bonus Issue	30
8.	Zareena Banu	10/-	-	Bonus Issue	30
Total					1,65,00,000

4. Sub-division of Shares dated February 28, 2022

Sl. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Kalandan Abdul Razak	1/-	-	Sub-division	2,20,00,000
2.	Umaiyya Banu	1/-	-	Sub-division	1,05,11,200
3.	Kalandan Mohammed Haris	1/-	-	Sub-division	9,06,86,800
4.	Kalandan Mohammed Althaf	1/-	-	Sub-division	4,84,00,400
5.	Kalandan Mohammad Arif	1/-	-	Sub-division	4,84,00,400
6.	Aisha Shabnam Haris	1/-	-	Sub-division	400
7.	Razeena Khatheeja	1/-	-	Sub-division	400
8.	Zareena Banu	1/-	-	Sub-division	400
Total					22,00,00,000

b) Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

2. Issue of equity shares for consideration other than cash or out of revaluation reserve and through Bonus Issue:

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

Date of Allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price (In ₹)	Consideration	Reason for Allotment	Benefit accruing to the company
January 18, 2022	1,65,00,000	10/-	Nil	N. A.	Bonus Allotment ⁽¹⁾	Capitalization of Reserves

⁽¹⁾ For list of allottees see note 3 of paragraph titled "History of Share capital of our Company" mentioned above.

- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- Our Company has not issued any Equity Shares in terms of any scheme approved under Sections 391- 394 of the Companies Act or under Section 230-234 of the Companies Act, 2013.
- Except for the Bonus Issue of 1,65,00,000 Equity Shares of our Company on January 18, 2022, our Company has not issued any Equity Shares at a price which may be lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

7. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)#
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (Sb)	
								Class: X	Class: y	Total								
A1	Promoter	3	14,24,90,290	-	-	14,24,90,290	64.77%	14,24,90,290	-	14,24,90,290	64.77%	-	64.77%	-	-	-	-	14,24,90,290
A2	Promoter Group	5	2,47,09,720	-	-	2,47,09,720	11.23%	2,47,09,720	-	2,47,09,720	11.23%	-	11.23%	-	-	-	-	2,47,09,720
B	Public	9	5,27,99,990	-	-	5,27,99,990	24.00%	5,27,99,990	-	5,27,99,990	24.00%	-	24.00%	-	-	-	-	5,27,99,990
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		17	22,00,00,000	-	-	22,00,00,000	100.00%	22,00,00,000	-	22,00,00,000	100.00%	-	100.00%	-	-	-	-	22,00,00,000

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

8. Details of Shareholding of the major shareholders of our Company

- Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Red Herring Prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue share capital
1	Kalandan Mohammed Haris	6,89,21,870	31.33
2	Kalandan Mohammed Althaf	3,67,84,210	16.72
3	Kalandan Mohammad Arif	3,67,84,210	16.72
4	Kalandan Abdul Razak	1,67,20,000	7.60
5	CNM Securities Private Limited	84,06,690	3.82
6	Umaiyya Banu	79,88,520	3.63
7	Lalitaben Dipakbhai Modh	66,73,320	3.03
8	Dipaliben Jiteshkumar Tikadiya	61,86,980	2.81
9	Sunny Kantilal Solanki	61,11,000	2.78
10	Ankitkumar Muljibhai Solanki	61,11,000	2.78
11	Falguni Sunny Solanki	61,11,000	2.78
12	Sambhavnath Investments and Finances Private Limited	61,11,000	2.78
13	Hinesh Laherchand Modi	35,44,500	1.61
14	Bijal Hinesh Modi	35,44,500	1.61
	Total	21,99,98,800	100.00

- None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of this Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten days prior to the date of filing of this Draft Red Herring Prospectus

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue share capital
1	Kalandan Mohammed Haris	7,73,28,560	35.15
2	Kalandan Mohammed Althaf	4,19,45,820	19.07
3	Kalandan Mohammad Arif	4,84,00,400	22.00
4	Kalandan Abdul Razak	1,88,66,130	8.58
5	Umaiyya Banu	90,13,890	4.10
6	Sunny Kantilal Solanki	61,11,000	2.78
7	Ankitkumar Muljibhai Solanki	61,11,000	2.78
8	Falguni Sunny Solanki	61,11,000	2.78
9	Sambhavnath Investments and Finances Private Limited	61,11,000	2.78
	Total	21,99,98,800	100

- Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year prior to filing of this Draft Red Herring Prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue share capital
1	Kalandan Mohammed Haris	2,26,717	41.22
2	Kalandan Mohammed Althaf	1,21,001	22.00
3	Kalandan Mohammad Arif	1,21,001	22.00
4	Kalandan Abdul Razak	55,000	10.00
5	Umaiyya Banu	26,278	4.78
	Total	5,49,997	100.00

- Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to the date of filing of this Draft Red Herring Prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue share capital
1	Kalandan Mohammed Haris	2,26,717	41.22
2	Kalandan Mohammed Althaf	1,21,001	22.00

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue share capital
3	Kalandan Mohammad Arif	1,21,001	22.00
4	Kalandan Abdul Razak	55,000	10.00
5	Umaiyya Banu	26,278	4.78
	Total	5,49,997	100.00

9. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

10. **Details of Build-up of our Promoter's shareholding:**

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company, jointly hold 14,24,90,290 Equity Shares, equivalent to 64.77% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and none of the Equity Shares held by the Promoters are subject to any pledge.

Set forth below are the details of the build – up of our Promoters' shareholding in our Company since incorporation:

- **Kalandan Mohammed Haris**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Cumulative No. of Shares
04-11-2010	13,510	100.00	100.00	Cash	Subscription to MoA	0.01%	[●]	13,510
19-06-2015	1,04,030	100.00	100.00	Cash	Transfer	0.05%	[●]	1,17,540
02-08-2016	1,09,178	100.00	Nil	N.A.	Gift	0.05%	[●]	2,26,718
03-07-2019	-1	100.00	Nil	N.A.	Gift	0.00%	[●]	2,26,717
29-12-2021	-2,26,717	100.00	Nil	N.A.	Sub-division	-0.10%	[●]	-
29-12-2021	22,67,170	10.00	Nil	N.A.	Sub-division	1.03%	[●]	22,67,170
18-01-2022	68,01,510	10.00	Nil	N.A.	Bonus	3.09%	[●]	90,68,680
02-03-2022	-1,47,982	10.00	45.00	Cash	Transfer	-0.07%	[●]	89,20,698
02-03-2022	-6,11,100	10.00	45.00	Cash	Transfer	-0.28%	[●]	83,09,598
02-03-2022	-5,32,742	10.00	45.00	Cash	Transfer	-0.24%	[●]	77,76,856
02-03-2022	-44,000	10.00	45.00	Cash	Transfer	-0.02%	[●]	77,32,856
03-03-2022	-77,32,856	10.00	Nil	N.A.	Sub-division	-3.51%	[●]	-
03-03-2022	7,73,28,560	1.00	Nil	N.A.	Sub-division	35.15%	[●]	7,73,28,560
14-03-2022	-84,06,690	1.00	4.50	Cash	Transfer	-3.82%	[●]	6,89,21,870
TOTAL	6,89,21,870					31.33%	[●]	

- **Kalandan Mohammed Althaf**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Cumulative No. of Shares
04-11-2010	49,250	100.00	100.00	Cash	Subscription to MoA	0.02%	[●]	49,250
19-06-2015	16,750	100.00	100.00	Cash	Transfer	0.01%	[●]	66,000
02-08-2016	27,501	100.00	Nil	N.A.	Gift	0.01%	[●]	93,501
02-08-2016	27,501	100.00	Nil	N.A.	Gift	0.01%	[●]	1,21,002
03-07-2019	-1	100.00	Nil	N.A.	Gift	0.00%	[●]	1,21,001

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Cumulative No. of Shares
29-12-2021	-1,21,001	100.00	Nil	N.A.	Sub-division	-0.06%	[●]	-
29-12-2021	12,10,010	10.00	Nil	N.A.	Sub-division	0.55%	[●]	12,10,010
18-01-2022	36,30,030	10.00	Nil	N.A.	Bonus	1.65%	[●]	48,40,040
02-03-2022	-78,358	10.00	45.00	Cash	Transfer	-0.04%	[●]	47,61,682
02-03-2022	-5,67,100	10.00	45.00	Cash	Transfer	-0.26%	[●]	41,94,582
03-03-2022	-41,94,582	10.00	Nil	N.A.	Sub-division	-1.91%	[●]	-
03-03-2022	4,19,45,820	1.00	Nil	N.A.	Sub-division	19.07%	[●]	4,19,45,820
14-03-2022	-51,61,610	1.00	4.50	Cash	Transfer	-2.35%	[●]	3,67,84,210
TOTAL	3,67,84,210					16.72%	[●]	

- Kalandan Mohammad Arif**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Cumulative No. of Shares
04-11-2010	7,080	100.00	100.00	Cash	Subscription to MoA	0.00%	[●]	7,080
18-06-2015	35,090	100.00	100.00	Cash	Transfer	0.02%	[●]	42,170
18-06-2015	23,830	100.00	Nil	Cash	Transfer	0.01%	[●]	66,000
02-08-2016	27,501	100.00	Nil	N.A.	Gift	0.01%	[●]	93,501
02-08-2016	27,501	100.00	Nil	N.A.	Gift	0.01%	[●]	1,21,002
03-07-2019	-1	100.00	Nil	N.A.	Gift	0.00%	[●]	1,21,001
29-12-2021	-1,21,001	100.00	Nil	N.A.	Sub-division	-0.06%	[●]	-
29-12-2021	12,10,010	10.00	Nil	N.A.	Sub-division	0.55%	[●]	12,10,010
18-01-2022	36,30,030	10.00	Nil	N.A.	Bonus	1.65%	[●]	48,40,040
03-03-2022	-48,40,040	10.00	Nil	N.A.	Sub-division	-2.20%	[●]	-
03-03-2022	4,84,00,400	1.00	Nil	N.A.	Sub-division	22.00%	[●]	4,84,00,400
14-03-2022	-45,27,190	1.00	4.50	Cash	Transfer	-2.06%	[●]	4,38,73,210
14-03-2022	-35,44,500	1.00	4.50	Cash	Transfer	-1.61%	[●]	4,03,28,710
14-03-2022	-35,44,500	1.00	4.50	Cash	Transfer	-1.61%	[●]	3,67,84,210
TOTAL	3,67,84,210					16.72%	[●]	

11. Details of Build-up of our Promoter's shareholding:

As on the date of this Draft Red Herring Prospectus, our Company has 17 (Seventeen) members/shareholders.

12. The details of the Shareholding of the members of the Promoter Group as on date of this Draft Red Herring Prospectus are set forth in the table below:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Promoters				
Kalandan Mohammed Haris	6,89,21,870	31.33%	6,89,21,870	22.97%
Kalandan Mohammed Althaf	3,67,84,210	16.72%	3,67,84,210	12.26%
Kalandan Mohammad Arif	3,67,84,210	16.72%	3,67,84,210	12.26%
Total Promoters Shareholding (A)	14,24,90,290	64.77%	14,24,90,290	47.50%
Promoter Group				
Kalandan Abdul Razak	1,67,20,000	7.60%	1,67,20,000	5.57%
Umaiyya Banu	79,88,520	3.63%	79,88,520	2.66%
Aisha Shabnam Haris	400	0.00%	400	0.00%
Razeena Khatheer	400	0.00%	400	0.00%
Zareena Banu	400	0.00%	400	0.00%
Total Promoters Group Shareholding (B)	2,47,09,720	11.23%	2,47,09,720	8.237%
Total Promoters & Promoters Group	16,72,00,010	76.00%	16,72,00,010	55.73%

13. Except as disclosed above in Section ‘Details of Build-up of our Promoter’s shareholding’, the Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any other purchase or sale transactions in the Equity Shares of our Company, during a period of six (6) months preceding the date on which this Draft Red Herring Prospectus is filed with SEBI.
14. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of the Draft Red Herring Prospectus.
15. **Details of Promoters’ contribution locked in for three years.**

Pursuant to Regulation 14 and 16 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the post-Issue capital of our Company held by the Promoters shall be locked in for a period of 18 (Eighteen) months from the date of Allotment (“**Minimum Promoter’ Contribution**”), and the Promoters’ shareholding in excess of 20% of the post-Issue Equity Share capital shall be locked in for a period of 6 (Six) months from the date of Allotment.

As on the date of this Draft Red Herring Prospectus, our Promoter hold 14,24,90,290 Equity Shares, constituting 64.77% of our Company’s pre-IPO paid-up Equity Share capital and 47.50% of our Company’s post-IPO paid-up Equity Share capital, which are eligible for Promoters’ Contribution.

Our Promoters as mentioned below, pursuant to the letter dated March 16, 2022, given consent to include such number of Equity Shares held by him as may constitute 20% of the post-Issue equity share capital of our Company as Promoters’ Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations. Details of Promoters’ Contribution are as provided below:

Name of the Promoter	Number of Equity Shares locked-in	Nature of Allotment / Transfer	Face value (in ₹)	% of post- Issue paid-up capital	Period of lock-in
Kalandan Mohammed Haris	2,32,00,000	Bonus Shares	1/-	7.73	18 months
Kalandan Mohammed Althaf	1,84,00,000	Bonus Shares	1/-	6.13	18 months
Kalandan Mohammad Arif	1,84,00,000	Bonus Shares	1/-	6.13	18 months
Total	6,00,00,000			20.00	

For details on the build-up of the Equity Share capital held by our Promoters, see “*Details of the Build-up of our Promoters’ shareholding*” on page 63.

The Promoter’s Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter’ Contribution under Regulation 15 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 15 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares resulting from bonus issue by utilisation of revaluations reserves or unrealised profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoters upon conversion of a partnership firm;
- Equity Shares held by the Promoters that are subject to any pledge; and

- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoters' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Red Herring Prospectus till the date of commencement of lock in period as stated in this Draft Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoters' Contribution for a period of 18 (Eighteen) months as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter Contribution, as per Regulation 16(1)(b) and 17 of the SEBI (ICDR) Regulations, shall be locked in for a period of 6 (Six) months from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the by laws of the Depositories.

Other requirements in respect of 'lock-in'

In terms of Regulation 22 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 17 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 22 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 16 (1) of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 21(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters' can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans;

An over subscription to the extent of 1% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 1% of the Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased so as to ensure that 20% of the Post Issue paid-up capital is locked in for 18 (Eighteen) months.

Lock-in of Equity Shares Allotted to Anchor Investors

In terms of Schedule XIII of the SEBI ICDR Regulations, the Equity Shares, if any, allotted to Anchor Investors shall be locked in for a period of 30 days from the date of Allotment of such Equity Shares.

16. Our Company, our Promoter, our Directors and the BRLM have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
17. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.

18. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
19. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
20. We hereby confirm that There will be no further issue of Equity Shares whether by the way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
21. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
23. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
24. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
25. As on the date of this Draft Red Herring Prospectus, the BRLM and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
26. **Our Promoter and the members of our Promoter Group will not participate in the Issue.**
27. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sl. No.	Name of Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1	Kalandan Mohammed Haris	6,89,21,870	31.33%
2	Kalandan Mohammed Althaf	3,67,84,210	16.72%
3	Kalandan Mohammad Arif	3,67,84,210	16.72%
4	Kalandan Abdul Razak	1,67,20,000	7.60%
5	Umaiyya Banu	79,88,520	3.63%
	Total	16,71,98,810	76.00%

28. Our Company has not raised any bridge loans, which are proposed to be repaid from the proceeds of the Issue.

OBJECT OF THE ISSUE

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ [●] million (the “**Net Proceeds**”).

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

- Working Capital Requirements
- Part re-payment of Working Capital Limit
- General Corporate Purposes
- Issue Related Expenses

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enable us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Additionally, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

Issue Proceeds

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

Particulars	Estimated Amount (₹ in million)
Gross Proceeds from the Issue	[●]
(Less) Issue Related Expenses	[●]
Net Proceeds	[●]

To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC

Requirement of Funds and Utilization of Net Proceeds

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

Particulars	Estimated Amount* (₹ in million)
Working Capital Requirements	[●]
Part re-payment of Working Capital Limit	[●]
General Corporate Purposes	[●]
Issue Related Expenses	[●]
Total	[●]

To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for general corporate purpose shall not exceeds 25% of the gross proceeds of the Issue.

Means of Finance

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals, Net worth and existing debt financing. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our

estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

Details of Objects of the Issue

1. Working Capital Requirement and basis of estimation:

Our business is working capital intensive and our Company funds a majority of our working capital requirement through Internal accruals, Net worth, Financing from various Banks and Financial Institutions, Unsecured Loans. As on March 31, 2020 and March 31, 2021, the amount outstanding on our Company's fund based short term borrowings was ₹ 1042.74 Million and ₹ 1205.65 Million respectively as per Standalone Audited Balance Sheet. For the expansion of our business, to enter new geographical areas and future growth requirements, our Company requires additional working capital which is based on our management estimations of the future business plan.

Details of estimation of working capital requirement are as follows:

Particulars	31-03-2020	31-03-2021	31-03-2022*	31-03-2023*
	(Audited)	(Audited)	(Estimation)	(Provisional)
Cash & Bank Balance	8.94	20.78	[●]	[●]
Sundry Debtors	544.08	264.57	[●]	[●]
Inventory	902.35	1,417.61	[●]	[●]
Other Current Assets	564.84	555.26	[●]	[●]
Total Current Assets	2,020.22	2,258.22	[●]	[●]
Short Term Borrowings	1,042.74	1,205.65	[●]	[●]
Sundry Creditors	768.95	777.30	[●]	[●]
Other Current Liabilities	53.27	167.55	[●]	[●]
Total Current Liabilities	1,864.96	2,150.50	[●]	[●]
Working Capital Gap	155.26	107.71	[●]	[●]
Source of Working Capital			[●]	[●]
Proceeds from IPO	-	-	[●]	[●]
Internal Accrual	155.26	107.71	[●]	[●]
Total	155.26	107.71	[●]	[●]

* To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC

Assumption on working capital requirement:

We have estimated our working capital requirement based on the following holding periods which are as per industry standard:

Particulars	31-03-2020	31-03-2021	31-03-2022*	31-03-2023*
	(Audited)	(Audited)	(Estimation)	(Provisional)
Sundry Debtors Holding period (Months)	1.20	0.59	[●]	[●]
Inventory Holding Period (Months)	1.98	3.17	[●]	[●]
Sundry Creditor Holding Period (Months)	1.91	1.75	[●]	[●]

* To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC

Particulars	Details
Sundry Debtors Holding period	[●]
Inventory Holding Period	[●]
Sundry Creditor Holding Period	[●]
Capacity Utilisation & Demand	It is assumed that the present capacity, capacity proposed to be procured through outsourcing arrangements and demand will be adequate to generate the desired results of operations.

2. Part re-payment of Working Capital availed

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include inter alia term loans and working capital facilities. For further details, see “Financial Indebtedness” on page 265.

As at September 30, 2021, our total outstanding non-current borrowings including current maturities of long-term borrowings and our current borrowings amounted to ₹ 1536.02 million, on a consolidated basis. Our Company proposes to utilize an estimated amount of ₹ [●] million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment or avail of additional credit facilities. If at the time of allotment, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full prepayment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ [●] million. We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness and debt servicing costs and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

For the list of the borrowings availed by our Company and the outstanding borrowings, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds, please refer to the table below:

(₹ in million)

Bank Name	Nature of the Loan	Amount Sanctioned	Outstanding Amount as on 02/03/2022*	Rate of Interest	Amount proposed to Repay from the Net Proceeds
HDFC Bank	Vehicle Loan	2.30	2.30	7.10%	[●]
	Vehicle Loan	3.23	2.80	7.30%	[●]
	Working Capital Loan	900.00	858.99	PCFC: LIBOR + 2.5, PC INR: 7.95%	[●]
	Unsecured Loan	7.50	0.36	15%	[●]
	SBLC	99.40	99.40	2% commission	[●]
Total from HDFC Bank		1,012.43	963.85		[●]

(₹ in million)

Bank Name	Nature of the Loan	Amount Sanctioned	Outstanding Amount as on 07/03/2022*	Rate of Interest	Amount proposed to Repay from the Net Proceeds
Yes Bank	Working Capital Loan	400.00	383.26	PCFC: LIBOR + 2.5, PC INR: 7.80%	[●]
	Working Capital Term Loan	83.50	41.51	8.30%	[●]
Total from Yes Bank		483.50	424.77		[●]

(* Based on NOC confirmation letter dated 02nd March 2022 of HDFC Bank and 09th March 2022 of Yes Bank Limited.)

3. General Corporate Purpose:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this issue, in compliance with the Regulation 7(2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., [●] million, which is [●]% of the amount being raised by our Company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- Strategic initiatives
- brand building and strengthening of marketing activities; and
- ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

4. **Issue Related Expense:**

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (₹ In million)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees including other intermediaries Fees	[●]	[●]	[●]
Regulators Including Stock Exchanges	[●]	[●]	[●]
Advertising and Marketing Expenses	[●]	[●]	[●]
Printing and distribution of Issue Stationary	[●]	[●]	[●]
Total	[●]	[●]	[●]

i) To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC

ii) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Investors which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders	[●] % of the Amount Allotted (plus applicable taxes)

Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax).

iii) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank	₹ [●] per valid Bid cum Application Form (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

Appraisal by Appraising Agency

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the BRLM or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. The actual costs would depend upon the negotiated prices with the vendors/suppliers/contractors and may vary from the above estimates.

Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance

with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking additional debt financing.

Bridge Financing

As on the date of this Draft Red Herring Prospectus, we have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, in case of delay in the IPO and consequent delay in accessing the net proceeds of the Issue, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit / term loan facility with our lenders, to finance setting up of facilities as described in the Section 'Objects of the Issue' until completion of the Issue. Any amount that is drawn down from such facility availed from any Bank/NBFC or Financial Institution during this period to finance 'Objects of the Issue' will be repaid from the Net Proceeds of the Issue.

Interim Use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

Our Company will appoint [●] as monitoring agency (Credit rating agency registered with the SEBI) in accordance with Regulation 41 of the SEBI ICDR Regulations, if the issue size exceeds ₹1000.00 million, before filing of the Red Herring Prospectus.

The said monitoring agency shall submit its report to our Company in the format specified as per SEBI ICDR on a quarterly basis, till 100% (hundred per cent) of the proceeds of the issue have been utilised. The board of directors and the management of the issuer shall provide their comments on the findings of the monitoring agency as per specified format of SEBI ICDR.

Our Board and the monitoring agency will monitor the utilisation of the Net Proceeds, and within 45 (Forty Five) days from the end of each quarter will publicly disseminate the report of the monitoring agency by uploading the same in our Company website as well as submitting the same to the stock exchange(s) on which our equity shares are listed as required under Regulation 41 of the SEBI ICDR.

Our Company will also disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through 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

the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other Confirmations

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

There are no existing or anticipated transactions in relation to the utilization of the Net Proceeds with the Promoters, Directors, Key Managerial Personnel or Group Companies.

BASIS FOR ISSUE PRICE

The Price Band and Issue Price will be determined by our Company in consultation with the BRLM, on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 1/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “Our Business”, “Risk Factors”, “Financial Statements” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 141, 26, 221 and 269, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- One of the leading manufacturers of Fish Meal, Fish Oil and Fish Soluble Paste industry in India with over 19 years
- Pan India and International market presence
- Well experienced management team with proven project management and implementation skills.
- Comprehensive product portfolio enables us to serve diverse customers
- Presence across diverse industry verticals with long standing relationship with our customers.
- Growth led by continuous investment and focus on R&D
- Quality Assurance and Quality Control of our products.
- Strategically located manufacturing facilities

For further details, see “Risk Factors” and “Our Business” on pages 26 and 141, respectively.

Quantitative Factors

The information presented in this Section is derived from our Restated Consolidated Financial Statements. For details, see “Financial Statements” on page 221. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

1. Basic and Diluted Earnings per Share (EPS), as adjusted for change in capital*

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Year ended March 31, 2019	0.62	0.62	1
Year ended March 31, 2020	0.62	0.62	2
Year ended March 31, 2021	0.50	0.50	3
Weighted Average	0.56	0.56	
For the six months period ended September 30, 2021 (Not Annualised)	0.28	0.28	

* As restated, divided by number of equities shares outstanding at the end of the period/year after giving retrospective effect of bonus issue and split of Equity Shares post restated period i.e., after September 30, 2021. Post-split of face value from ₹ 100/- to ₹ 1/- and Bonus allotment in the ratio of 3 shares for every 1 share held, the total no. of equity shares has been increased to 22,00,00,000 from 5,50,000 without any fresh infusion of equity capital.

Note:

- *Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year.*
- *Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.*
- *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.*
- *The EPS has been calculated in accordance with IND AS 33 – “Earnings per Share” notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended.*
- *The Board of Directors and shareholders of the Company at their meeting held on December 28, 2021, have approved stock split of one equity share having face value of ₹100/- each into Ten equity shares having face value of ₹ 10/- each.*

- Further on January 15, 2022, the Members of Company in their extra ordinary general meeting has approved 3:1 bonus shares on fully paid equity shares having face value of INR 10 per share through capitalisation of free reserves of the Company.
- The Board of Directors and shareholders of the Company at their meeting held on February 28, 2022, have approved stock split of one equity share having face value of ₹10/- each into 1 equity shares having face value of ₹ 1/- each.

2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹ [●] to ₹ [●] per equity share of face value of ₹ 1/- each

Particulars	P/E at the Floor Price (No. of times)	P/E at the Cap Price (No. of times)
Based on basic and diluted EPS of ₹ [●] as per the Restated Financial Information for the year ended March 31, 2021	[●]	[●]
Based on Weighted Average EPS of ₹ [●] as per the Restated Financial Information for the year ended March 31, 2021	[●]	[●]
Based on basic and diluted EPS of ₹ [●] as per the Restated Financial Information for the period ended September 30, 2021	[●]	[●]

3. Industry P/E Ratio

Not applicable. Our Company believes, there are no listed entities similar to our line of business and comparable to our scale of operations.

4. Average Return on Net Worth (RoNW):

Particulars	RoNW in %	Weight
Year ended March 31, 2019	32.49%	1
Year ended March 31, 2020	23.30%	2
Year ended March 31, 2021	13.49%	3
Weighted Average	19.93%	
For the six months period ended September 30, 2021 (Not Annualised)	10.37%	

- $RoNW (\%) = \text{Net profit after tax} / \text{Net worth at the end of the year}$.
- $\text{Net worth} = \text{Equity share capital} + \text{Other Equity (including Securities Premium and Surplus/ (Deficit))}$.
- $\text{Weighted Average} = \text{Aggregate of year wise weighted RoNW divided by the aggregate of weights i.e.} \{(\text{RoNW} \times \text{Weight}) \text{ for each year} \} / \{ \text{Total of weights} \}$

5. Net Assets Value as adjusted for change in capital*:

Particulars	Amount
Net Asset Value per Equity Share as of March 31, 2021	3.02
For the six months period ended September 30, 2021 (Not Annualised)	3.33
Net Asset Value per Equity Share after the Issue	[●]
• At the Floor Price	[●]
• At the Cap Price	[●]
Issue Price per equity share	[●]

* As restated, divided by number of equities shares outstanding at the end of the period/year after giving retrospective effect of bonus issue and split of Equity Shares post restated period i.e., after September 30, 2021. Post-split of face value from ₹ 100/- to ₹ 1/- and Bonus allotment in the ratio of 3 shares for every 1 share held, the total no. of equity shares has been increased to 22,00,00,000 from 5,50,000 without any fresh infusion of equity capital.

Note:

- Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth as restated / Number of equity shares as at period/ year end
- Net Asset Value per equity share represents “total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equities shares outstanding as at the end of year/period.

6. Comparison with Listed Industry Peers:

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

Name of the Company	Face Value	EPS	NAV Per Equity Share	P/E Ratio*	RONW (in %)*
Avanti Feeds Limited	1/-	22.41	110.33	18.51	19.82
Godrej Agrovet Limited	10/-	14.53	91.42	36.09	16.74
The Waterbase Limited	10/-	1.43	45.89	70.21	3.17
Mukka Proteins Limited [#]	1/-	0.50	3.02	[●]	13.49

* Source: Capitaline and Annual Report for the Financial Year ended March 31, 2021

[#] Based on Restated Consolidated Financial Statement for the Financial Year ended March 31, 2021

7. The Offer price is [●] times of the face value of the Equity Shares

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM on the basis of assessment of market demand from investors for the Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with “Risk Factors”, “Our Business” “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 141, 221 and 269 respectively, to have a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Mukka Proteins Private Limited
(Formerly Known as “Mukka Sea Food Industries Limited” / “Mukka Sea Food Private Limited”)
Mukka Corporate House,
1st Cross, N. G. Road,
Attavar, Mangalore – 575001
Karnataka, India

Sub: Statement of possible special tax benefits available to Mukka Proteins Limited (formerly known as “Mukka Sea Food Industries Limited” / “Mukka Sea Food Private Limited”) (the ‘Company’), its Shareholders, prepared in accordance with the requirements under Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’).

1. We, Shah & Taparia, auditor of the Company, hereby confirm the enclosed statement in the Annexure prepared and issued by the Company, which provides the possible special tax benefits under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2022-23 relevant to the financial year 2021-22, available to the Company, its Shareholders under the tax laws of respective country of tax residence. Several of these benefits are dependent on the Company, its Shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company, its Shareholders face in the future, the Company, its Shareholders may or may not choose to fulfil.
2. This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (‘SEBI ICDR Regulations’). While the term ‘special tax benefits’ has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.
3. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
4. The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders and its Subsidiaries and do not cover any general tax benefits available to them.
5. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
6. The benefits stated in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

7. We do not express any opinion or provide any assurance whether:
- The Company, its Shareholders will continue to obtain these benefits in future;
 - The conditions prescribed for availing the benefits have been/would be met;
 - The revenue authorities/courts will concur with the views expressed herein.
8. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.
9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
10. This Statement is addressed to Board of Directors and issued at specific request of the Company. The enclosed Annexure to this Statement is intended solely for your information and for inclusion in the draft red herring prospectus, red herring prospectus, the prospectus and any other material in connection with the proposed initial public offering of equity shares of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent. 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 certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For **Shah & Taparia**
Chartered Accountants
Firm Registration No.

Sd/-

Bharat Joshi
Partner
Membership No.: 130863
UDIN: 22130863AFBWIM1603
Place: Mumbai
Date: 16/03/2022

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MUKKA PROTEINS LIMITED (THE “COMPANY”) ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the special tax benefits available to the Company and its shareholders under the Income Tax Regulations within and outside India. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Acts.

Under the Income Tax Act, 1961 (“ the IT Act”)

A. Special tax benefits available to the Company.

1. Concessional corporate tax rates - Section 115BAA of the IT Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from Financial Year (‘FY’) 2019-20 relevant to Assessment Year (‘AY’) 2020-21 and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(ia): Additional depreciation;
- Section 32AD: Investment allowance.
- Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development. Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.168% (i.e. 22% along with surcharge and health and education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the IT Act.

Further, provisions of Minimum Alternate Tax (‘MAT’) under section 115JB of the Income Tax Act, 1961 (“the IT Act”) shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

Note: The Company has already opted for the concessional tax rate benefit for the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration in form 10IC has already been filed with the income tax authority.

2. Deductions in respect of employment of new employees Section 80JJAA of the IT Act

As per section 80JJAA of the IT Act, where a company is subject to tax audit under section 44AB of the IT Act and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfillment of prescribed conditions specified in sub-section (2) of section 80JJAA of the IT Act.

3 Deduction in respect of certain inter-corporate dividends Section 80M of IT Act

As per Sec 80 M of the IT act, where domestic companies that have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of section 139.

B. Special tax benefits available to the shareholders.

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

Notes:

1. 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 or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and 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 and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:
 - the Company or its shareholders will continue to obtain these benefits in future;
 - the conditions prescribed for availing the benefits have been/ would be met with; and
 - the revenue authorities/courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.
6. The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MUKKA PROTEINS LIMITED (THE "COMPANY") ITS SHAREHOLDERS UNDER THE APPLICABLE INDIRECT TAX LAWS IN INDIA

Outlined below are the special tax benefits available to the Company and its shareholders under the Indirect Tax Regulations within India. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Indirect Tax Regulations.

A. Special tax benefits available to the Company under Indirect Tax Regulations in India

1. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated, that is, these transactions attract a GST rate of zero per cent.

On account of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of input and input services used for such supplies and can seek refund of accumulated/ unutilized ITC.

There are two mechanism for claiming refund of accumulated ITC against export. Either person can export under Bond/ LUT as zero-rated supply and claim refund of accumulated input tax credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of CGST Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on input and input services used in making zero rated supplies.

Till December 2020, the company has undertaken export of services with payment of tax. Thereafter, the company is exporting the services without payment of Integrated tax under the option of LUT. Further, GST refund of accumulated input tax credit in relation to input and input services will also be available to the company on account of zero-rated supplies.

B. Special tax benefits available to the shareholders under the Indirect Tax Regulations

The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. Securities are excluded from the definition of Goods as defined under section 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined under section 2(102) of the Central Goods and Services Tax Act, 2017.

Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and/or Central Goods Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State Goods and Services Tax Act, 2017, Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules.

Notes:

1. 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 or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and 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 and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.
4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:
 - the Company or its shareholders will continue to obtain these benefits in future;
 - the conditions prescribed for availing the benefits have been/ would be met with; and
 - the revenue authorities/courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.
6. The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

SECTION IV: ABOUT THE COMPANY AND THE INDUSTRY

INDUSTRY OVERVIEW

The information in this Section is derived from the report dated March 11, 2022 (the “Assessment of Fish Meal and Fish Oil Processing Industry in India”) prepared by CRISIL, except for other publicly available information as cited in this Section. Neither we nor any other person connected with the Issue has verified the information in the CRISIL Report or other publicly available information cited in this Section. Prospective investors are advised not to unduly rely on the CRISIL Report. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The information in this Section must be read in conjunction with the Sections titled “Risk Factors” and “Our Business” beginning on pages 26 and 141, respectively.

Macroeconomic overview of India

A review of India’s GDP growth

GDP grew at 6.6% CAGR from fiscals 2012-20

In 2015, the Ministry of Statistics and Programme Implementation (MoSPI) changed the base year for calculating India’s GDP between fiscals 2005 and 2012. Based on this, the country’s GDP increased at an eight-year CAGR of 6.6% to Rs 146 trillion in fiscal 2020 from Rs 87 trillion in fiscal 2012.

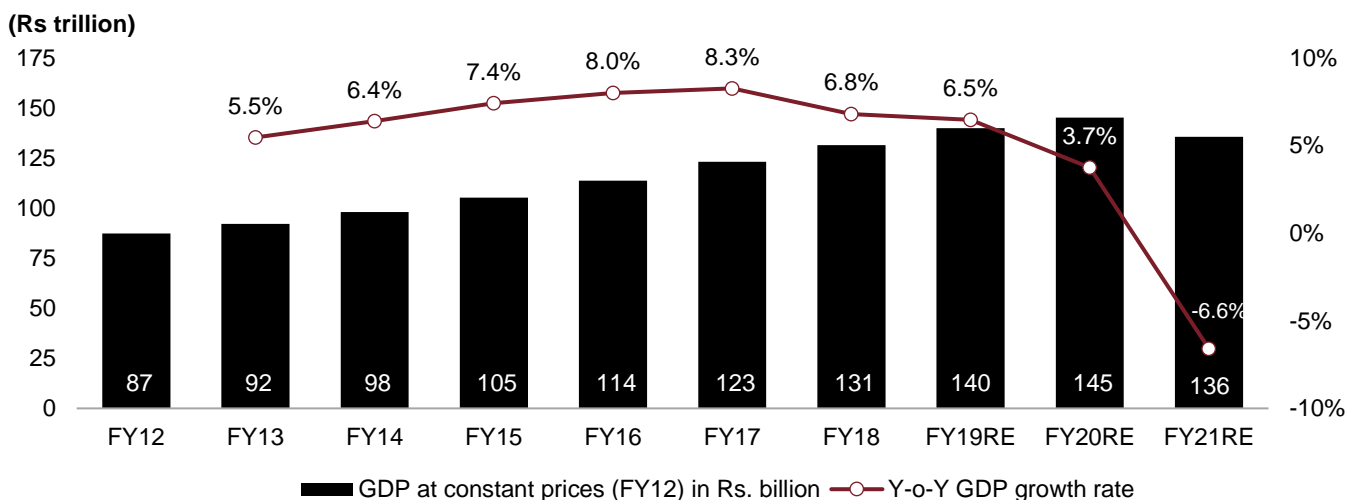
Fiscal 2021 has been a challenging year for the Indian economy, which was already experiencing a slowdown before the pandemic struck. GDP contracted 7.3% (in real terms) last fiscal, after growing 4.0% in fiscal 2020. At Rs 136 trillion in fiscal 2021, India’s GDP (in absolute terms) went even below the fiscal 2019 level of Rs 140.0 trillion.

Economy re-bounded in second half of fiscal 2021 after shrinking in first half of the year, recovery continues in fiscal 2022

After contracting in the first half because of a virulent second wave of Covid-19, the economy rebounded in the second half, growing 0.7% and 2.5% on-year in the third and fourth quarters, respectively during fiscal 2021. While the economy shrank as a whole in fiscal 2021, agriculture and allied activities, and electricity, gas, water supply and other utility services were the outliers, logging positive growth. On the other hand, contact-intensive trade, hotels and transport sectors, and services related to broadcasting were hit the most, and continued to shrink in all the quarters. Construction – a labour-intensive sector – was also severely hit in the first half but rebounded in the second half.

The economy is in recover mode, with GDP expanding 20.3% on-year in the first quarter of fiscal 2022 and 8.5% on-year in the second quarter of fiscal 2022. In absolute terms GDP for the second quarter of fiscal 2022 has just crossed the GDP value reported in first quarter of fiscal 2020 (pre-covid). The economic rebound comes on the back of reduced pandemic restrictions and improving vaccination coverage.

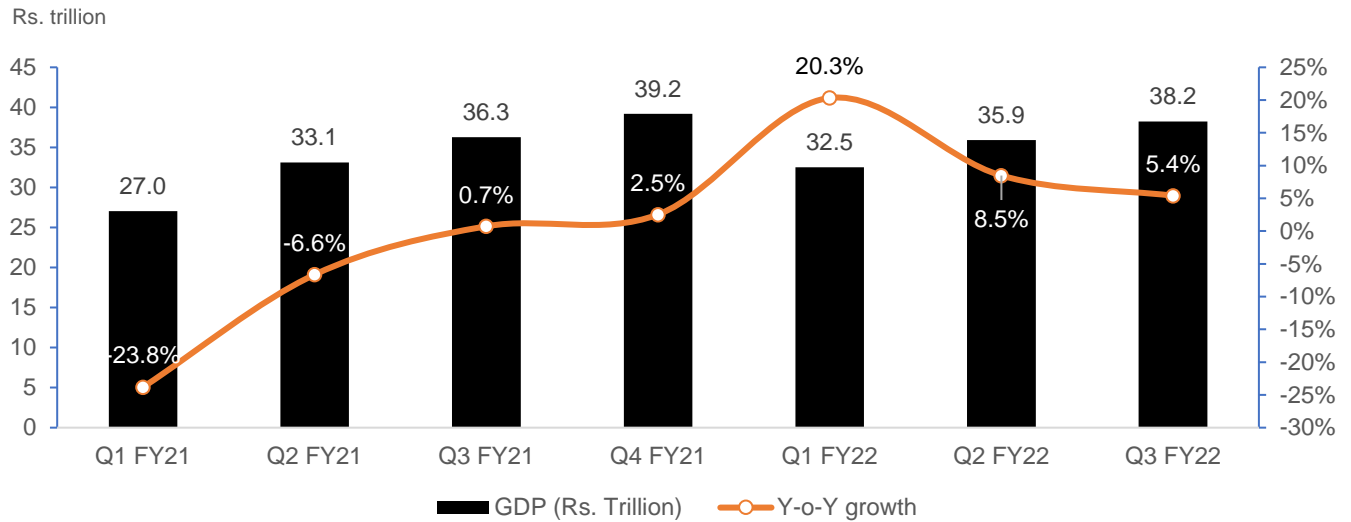
Real GDP growth in India (new GDP series)



PE: Provisional estimates, RE: Revised estimates

Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), CRISIL Research

Quarter-wise real GDP growth in fiscal 2021 and fiscal 2022



Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), CRISIL Research

From a supply side perspective, i.e. gross value add (GVA), a much clearer measure of the economy’s performance for last fiscal emerges. Based on this metric, the economy shrank by 4.8% (compared with 3.8% growth in fiscal 2020). In absolute terms, real GVA was Rs 125.9 trillion last fiscal, down from Rs 127.3 trillion in fiscal 2019.

Gross value added (GVA) at basic prices (constant 2011-12 prices)

Rs trillion	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE	FY22AE	CAGR
GVA at basic prices	81.1	85.5	90.6	97.1	104.9	113.3	120.3	127.3	132.2	125.9	136.2	5.0%
Y-o-y growth (%)		5.4%	6.1%	7.1%	8.0%	8.0%	6.2%	5.8%	3.8%	-4.8%	8.3%	

RE: Revised estimates AE: Advanced estimate

Note: CAGR is between fiscals 2012 and 2021

Source: CRISIL Research

Outlook for GDP growth in India

Fiscal 2022 base case GDP growth expected to be 8.9%

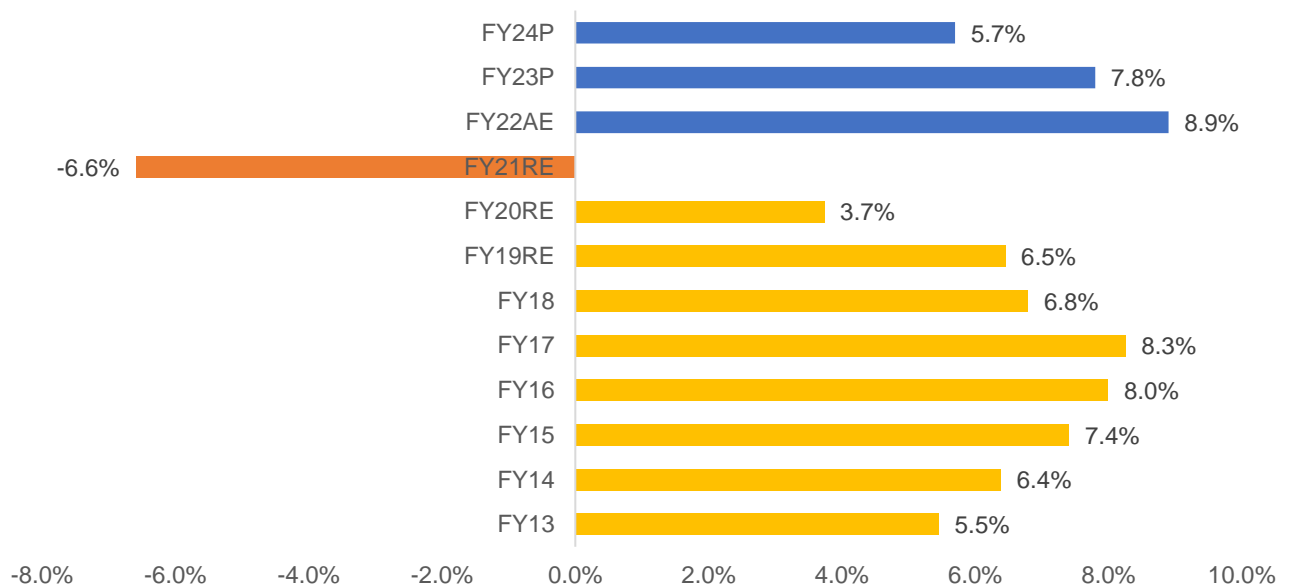
India is getting back on its feet slowly, with divergent growth trends. Though data suggests there has been some pick-up in recent months, recovery is weak and uneven. And indeed, the scars of the pandemic continue to run deep for small businesses, the urban poor and most of the services sector.

Fiscal 2022 is also seen emerging as a story of two halves. The first half will be characterised by a base effect-driven recovery amid the challenge associated with resurgence in Covid-19 infections. But the second half should see a more broad-based growth, as vaccine rollout and lesser nationwide restrictions support sectors that are lagging. The gains made by the economy in the fourth quarter of fiscal 2021 seem to have fizzled out in the first quarter of fiscal 2022 because of the fierce second wave of Covid-19, leading to localised lockdowns in most states. At the same time, monetary policy has begun normalising, and some tightness in domestic financial conditions is inevitable. Against this backdrop, policy support remains critical, apart from action in the external environment.

In fiscal 2021, the policy response to the pandemic focused more on damage control and measures to support the economy. In the current fiscal, the government is expected to normalise some of the extraordinary or unconventional policy moves, while trying to ensure there is smooth revival in growth. This will pertain to most of the services sectors, especially contact-based travel, tourism and entertainment. Also, stronger global growth should support India’s exports to some extent. Revival will not be uniform across sectors, though. So far, the rural economy has been more resilient than the urban.

With the third wave of Covid-19 (with minimal economic impact) behind us, CRISIL Research expects fewer supply disruptions from covid-19 and a fuller resumption of services activity in the coming fiscal. As a result, contact-intensive services, which still trail the pre-pandemic levels of fiscal 2020, could start contributing favourably to growth. But slower global growth and high commodity prices, especially that of oil, could put downward pressure on growth. Heightened geopolitical risks from the Russia-Ukraine conflict, which continues to intensify, could add more headwinds. Considering this, CRISIL estimates real GDP growth projection for fiscal 2023 at 7.8%, with downside risk.

Real GDP growth (% on-year)



RE: Revised estimates; AE: Advanced estimates P: Projected by CRISIL Research

Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), CRISIL Research

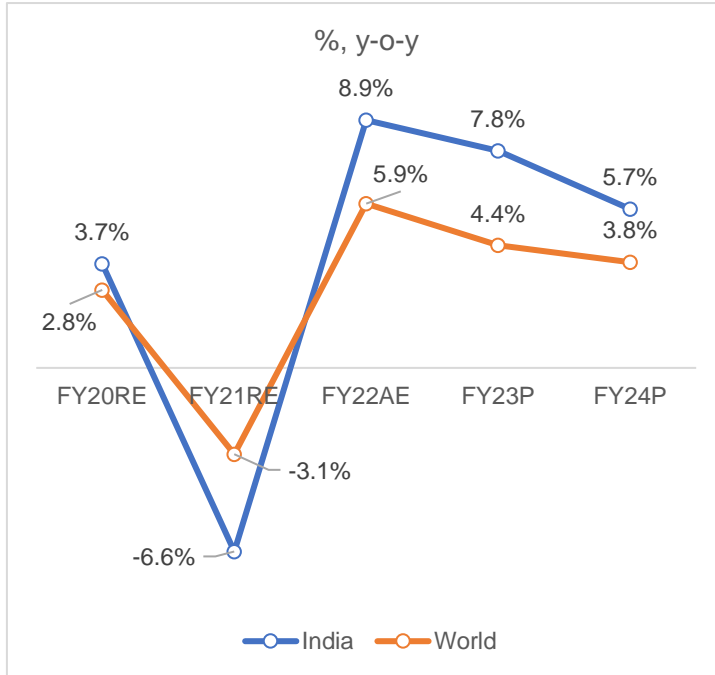
CRISIL forecasts India’s GDP growth to rebound to 8.9% in fiscal 2022 as following drivers converge:

Weak base: A 6.6% contraction in GDP in fiscal 2021 will provide a statistical push to growth next fiscal.

Global upturns: Higher global growth in 2021, i.e., world GDP up by 5.9%, advanced economies 5.0%, emerging economies 6.5%, should lift exports.

Fiscal push: Stretch in the fiscal glide path and focus of the Union Budget 2021-22 on capex are expected to have a multiplier effect on growth.

India to surpass global GDP growth in next three fiscals



GDP growth to rebound to 9.2% this fiscal on the back of a very weak base and the rising-global-tide effect

CRISIL sees India’s GDP growth rebounding to 9.2% this fiscal due to a very weak base, flattening of the Covid-19 curve, rollout of vaccinations, investment-focused government spending, and benefit from the ‘rising global tide lifts all boats’ effect. Yet, the economy is expected to reach pre-pandemic levels only by the second quarter of this fiscal. Services will take longer to recover than manufacturing. Beyond fiscal 2022, India is seen growing faster than the world. Over fiscals 2023-25, growth is seen averaging at ~6.0% annually.

Note: Forecasts for World are for calendar year; FY20 corresponds to 2019 and so on; RE: Revised estimates; AE: Advanced estimates P: Projected; updated as of Jan 2022; India numbers for FY20, FY21 and FY22 are based on MoSPI’s latest GDP estimates and FY23 onwards are CRISIL Research’s forecast. World GDP growth rates are from IMF world economic outlook update as of January 2022.

Source: S&P Global Ratings, CRISIL

India is expected to regain the top spot as the world’s fastest growing economy in 2021

India was one of the fastest-growing economies in 2018 and 2019. In 2020, the GDP of all countries – including that of developed ones such as the US and the UK but except China’s had de-grown, primarily due to the impact of the pandemic. India’s GDP declined 7.3% in 2020. Further, the GDP growth of all major economies has rebounded in 2021 as economic activities resumed and also due to the low base of 2020. Among the major economies, India, with a growth rate of ~9%, was the fastest-growing in 2021, followed by China with 8.1%.

Asia-Pacific has been hit hard by the pandemic and is recovering from a severe recession. The outlook varies by country depending on infection rates and containment measures, policy responses, reliance on contact-intensive activities, and external demand. Output is expected to remain below pre-pandemic trends over the medium term, with the most vulnerable in society likely to be hit the hardest. The projections remain highly uncertain, with significant downside risks. The Asia-Pacific region is also starting to recover tentatively, but at multiple speeds. Economic activity in emerging and developing Asia is expected to contract by 1.0% in 2020, due to a sharper-than- expected downturn in key emerging markets, and to grow by 8.6% in 2021 and 6.0% in 2022

Real GDP growth by geographies

	2017	2018	2019	2020	2021	2022P	2023P
United States	2.3	3.0	2.2	-3.4	5.6	4.0	2.6
Euro area	2.6	1.8	1.3	-6.4	5.2	3.9	2.5
Japan	2.2	0.3	0.3	-4.5	1.6	3.3	1.8
United Kingdom	1.2	1.3	1.4	-9.4	7.2	4.7	2.3
China	6.9	6.7	5.8	2.3	8.1	4.8	5.2
India	6.8	6.5	4.0	-7.3	9.0	9.0	7.1
ASEAN	5.3	5.3	4.9	-3.4	3.1	5.6	6.0
Middle East and Central Asia	2.6	2.1	1.4	-2.8	4.2	4.3	3.6

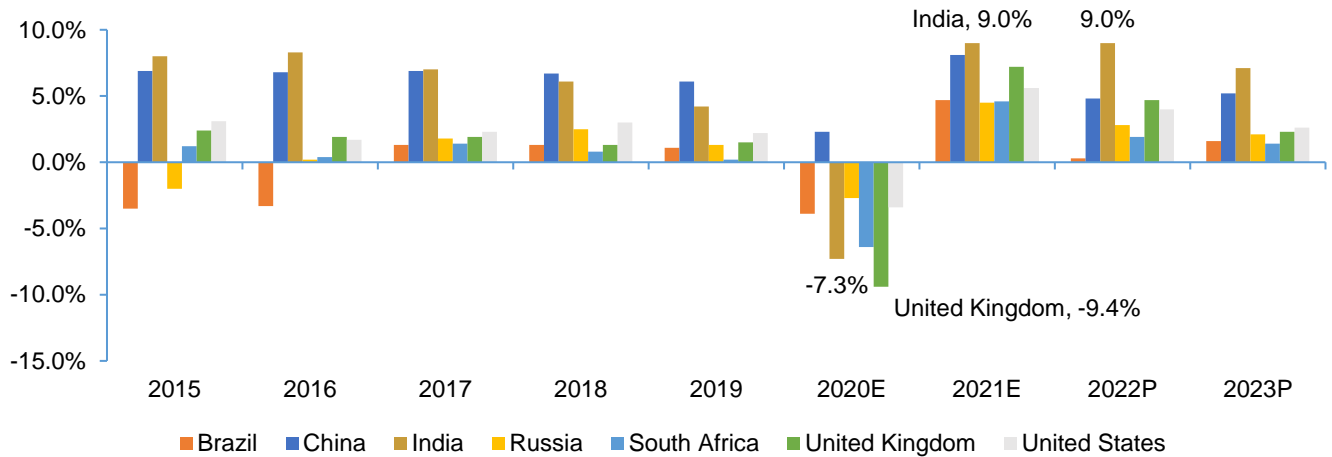
P: Projection as per IMF update

*-Numbers for India for year 2020 onwards are for financial year (2020 is FY21 and so on) and as per IMF forecast. CRISIL Research forecast for FY21:-6.6% and FY22: 8.9%,FY23: 7.8%

Emerging Asia comprises the ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand, Vietnam) economies, China, and India.

Source: IMF economic database, World Bank national accounts data and OECD national accounts data, CRISIL Research

Trend of real GDP growth rate (%) for major economies (2015-23P)



Note: Data for India represents financial year, forecasts for India are IMF forecasts and forecasts are presented on a fiscal year basis for India

CRISIL Research estimates India’s GDP to grow at 9.2% in FY22 and 7.8% in FY23

Source: IMF, CRISIL Research

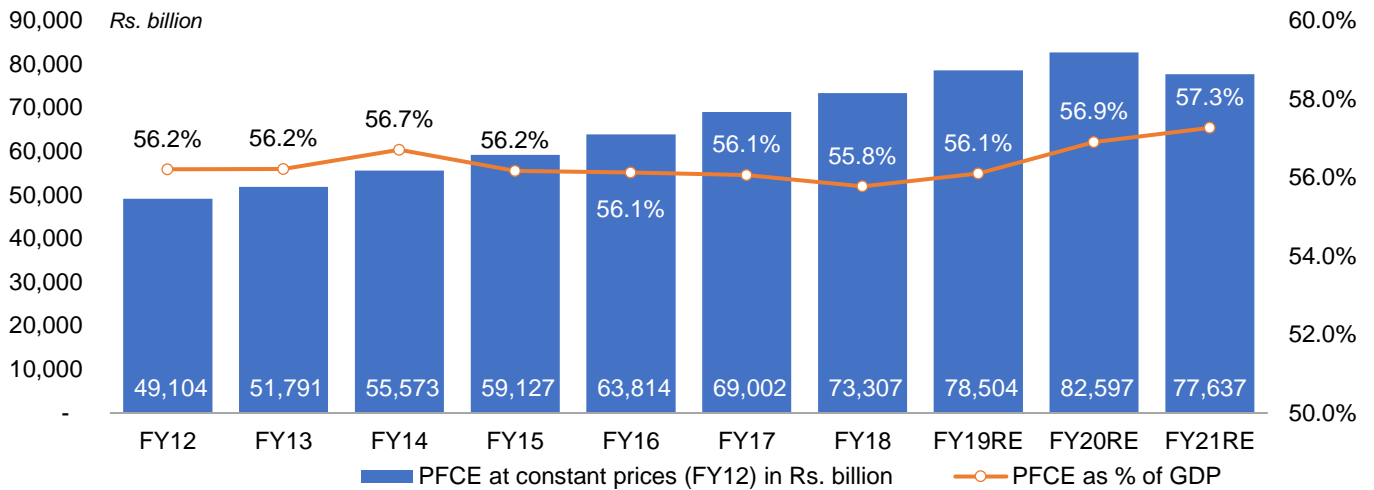
Key fiscal measures announced by the Centre to deal with the pandemic’s impact

To mitigate the pandemic’s negative impact on the economy, the Central government has announced a Rs 20.9 trillion package, amounting to 10% of the country’s nominal GDP. The package is a mix of fiscal and monetary measures (to revive growth in the short term) and reforms (to boost long-term economic prospects). Liquidity support has been a major part of India’s response so far. Globally, too, liquidity measures have played a lead role in policy response. The immediate fiscal cost to be borne by the government would be ~Rs 2.6 trillion, or 1.2% of nominal GDP. Further, execution of the government’s measures to revive the economy and pace of implementation of the announced reforms are key monitorables.

Review of private final consumption growth in India

Private final consumption expenditure to maintain dominant share in GDP

Private final consumption expenditure (PFCE) at constant prices clocked 6.7% CAGR between fiscals 2012 and 2020, maintaining its dominant share in the GDP pie, at ~57% or Rs 82,597 billion. Factors contributing to the growth included good monsoons, wage revisions due to the implementation of the Pay Commission’s recommendations, benign interest rates, and low inflation. PFCE declined in fiscal 2021 to Rs 77,637 billion on account of the pandemic, where consumption demand was impacted on account of strict lockdown, employment loss, limited disposable spending, and disruption in demand-supply dynamics.

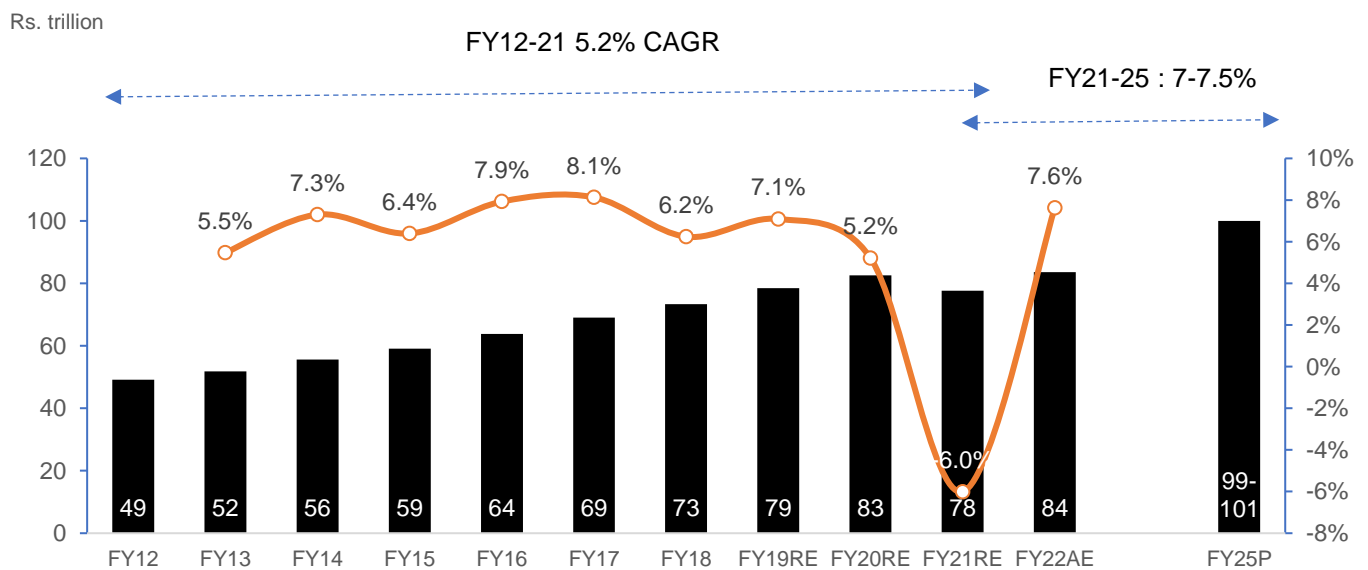


PFCE to clock 7-7.5% CAGR between fiscals 2021 and 2025

PFCE at constant prices registered 5.2% CAGR between fiscals 2012 and 2021, maintaining its dominant share in the GDP pie at 57.3% or Rs 77.6 trillion in fiscal 2021. PFCE declined in fiscal 2021 to Rs 77.6 trillion on account of the pandemic, where consumption demand was impacted on account of strict lockdowns, employment loss, limited disposable spending, and disruption in demand-supply dynamics.

Going forward, CRISIL forecasts PFCE to grow at 7-7.5% CAGR between fiscals 2021 and 2025. Factors contributing to the growth include good monsoons, wage revisions due to the implementation of the Pay Commission’s recommendations, benign interest rates, and low inflation.

PFCE (at constant prices)



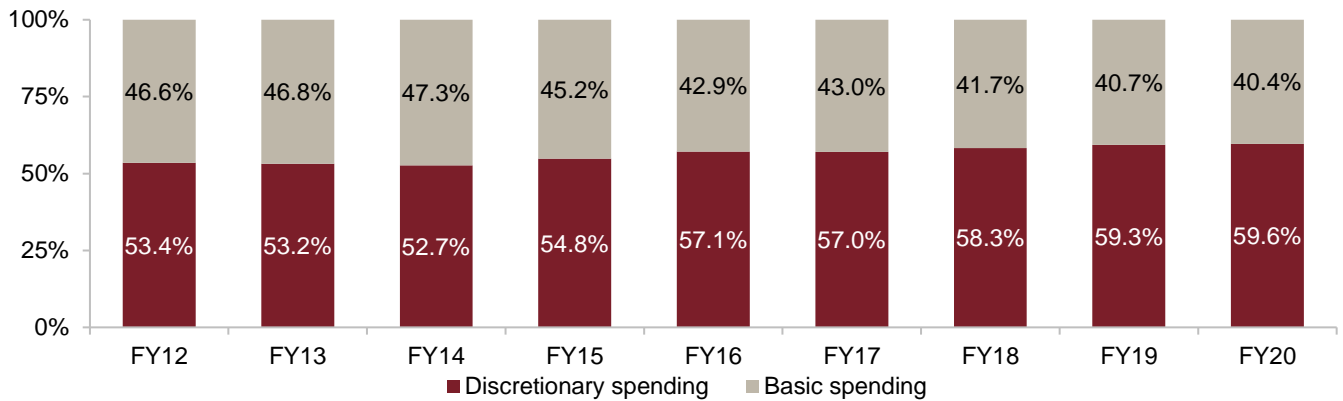
AE: Advanced estimates; P: Projections by CRISIL

Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), CRISIL Research

Consumption expenditure to be driven by discretionary items

According to CRISIL Research, basic items accounted for 40.4% of the total consumption expenditure of Indian consumers in fiscal 2020, with discretionary items accounting for the remainder 59.6%. It is worth noting that the share of discretionary items in consumption increased to 59.6% in fiscal 2020 from 53.4% in fiscal 2012. The increased spending on discretionary items suggests rising disposable income of households.

Broad split of PFCE consumption into basic and discretionary spending

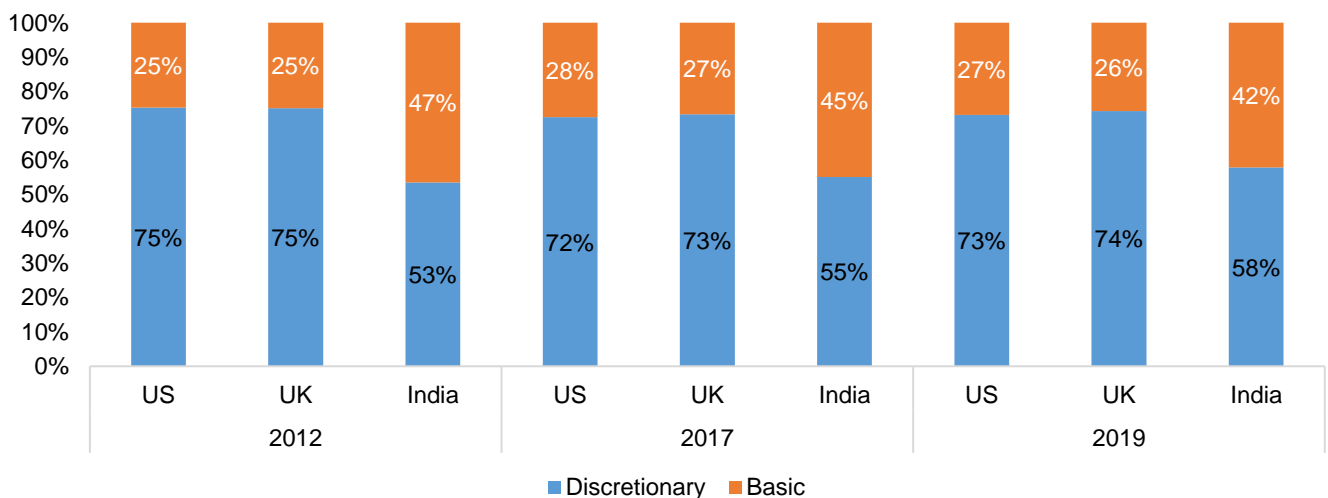


Note: Basic items include food, clothing and housing. Discretionary items include education, healthcare, electricity, water supply, footwear, personal care products, processed foods, alcoholic and non-alcoholic beverages, tobacco, narcotics, fuel and gas, furnishing and household equipment, vehicle and personal transportation, spending on recreation and culture, communication, restaurants and hotels, financial insurance and other financial services, and other items not elsewhere classified (n.e.c.)

Source: MoSPI, CRISIL Research

India’s discretionary spending is lower than that of advanced economies, such as the US and the UK, and is expected to grow with a rise in per capita income. In 2012¹, discretionary items accounted for ~75% of spending for both the US and the UK compared with ~53% for India. The share increased for the US, the UK, and India to ~76%, 77%, and 55% in 2017, and further changed to 73%, 74%, and 58%, respectively, in 2019. As the Indian economy advances and household disposable income rises, the share of discretionary spending is expected to increase further and drive overall consumption expenditure.

Consumption pattern breakdown: India, the US, and the UK



Notes:

- CRISIL Research has used consumer/household spending data (the US and the UK) and PFCE data (India) to arrive at the broad split into discretionary and basic items, as defined earlier.
- Data for the US is for calendar years 2011, 2016, and 2018, and for the UK and India is for fiscals 2012, 2017, and 2019.

Source: MoSPI, Office of National Statistics – UK, Bureau of Economic Analysis – US Department of Commerce, CRISIL Research

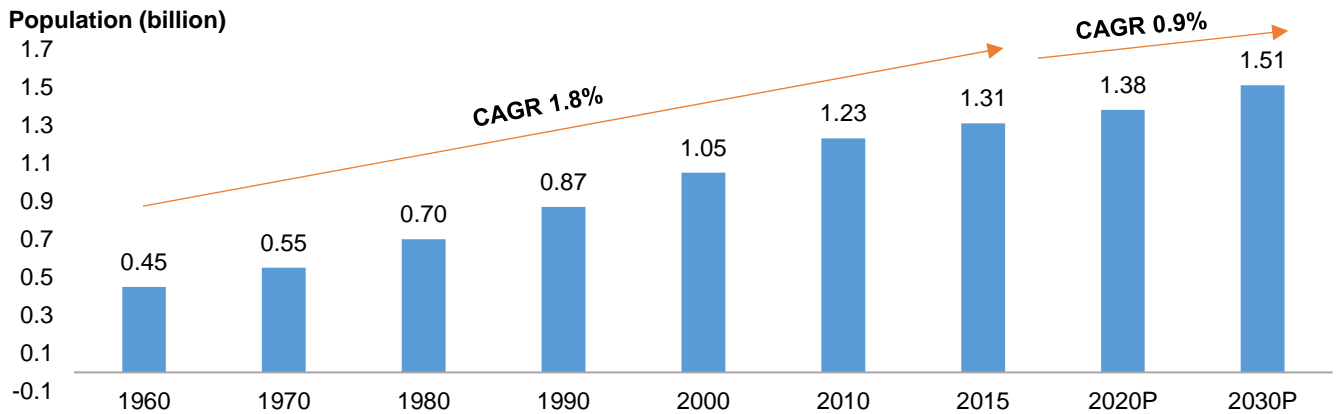
Fundamental GDP growth drivers

India's population projected to reach 1.5 billion by 2030

India's population increased at a CAGR of 1.8% during 2001-2011 to ~1.2 billion according to Census 2011. As of 2010 census, the country had about 246 million households.

According to the UN's report, *World Urbanization Prospects: The 2018 Revision*, India and China, two of the most populous countries, accounted for nearly 37% of the world's population in 2015. The report projects India's population to increase at a CAGR of 1% to 1.5 billion by 2030, making it the world's most populous country, surpassing China (for which the projected population is 1.4 billion).

India's population growth



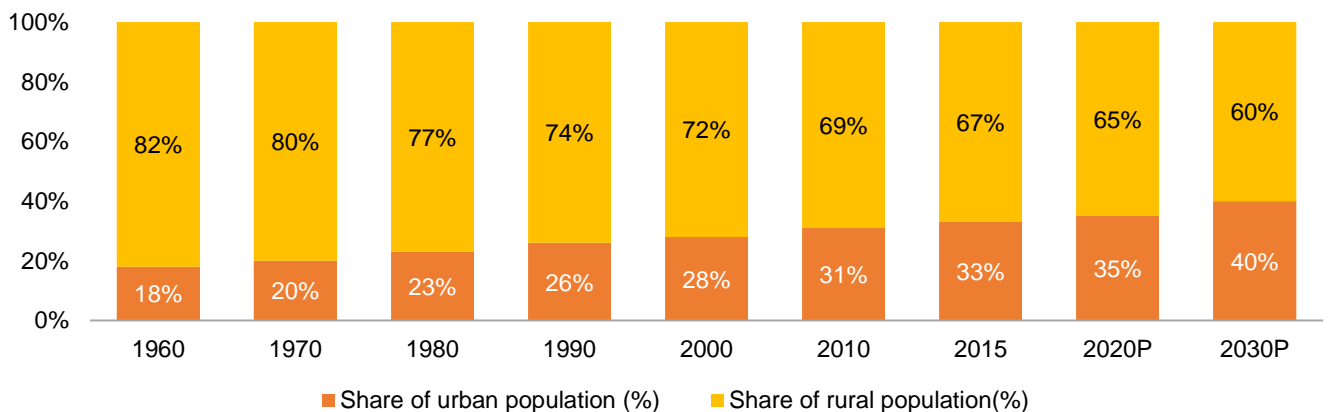
P: projected

Source: *World Urbanization Prospects: The 2018 Revision*, the UN, CRISIL Research

Urbanisation likely to reach 40% by 2030

India's urban population has been rising over the years and stood at ~31% of total population in 2010. The rising trend is expected to continue. The UN report has projected that nearly 40% of the country's population will live in urban areas by 2030.

India's urban versus rural population



P: projected

Source: *World Urbanization Prospects: The 2018 Revision*, UN, CRISIL Research

People from rural areas move to cities for better job opportunities, education, and quality of life. The entire family or only a few individuals (generally an earning member or students) may migrate, while the other members continue living in rural house.

India's population median age to reach 31.4 years by 2030

According to the UN, the global median age rose to ~30 years in 2015 from ~22 years in 1970. The median ages in developed countries exceeded the global median age significantly, as is evident from the median ages in the US and the UK, which were 39.8 years and 42.4 years, respectively. Interestingly, India's median age was significantly lower at 28.2 years,

indicating a favourable demographic dividend. Furthermore, India's median age was the lowest even among Brazil, Russia, India, and China (BRIC), with Brazil, China and Russia recording median ages of 31.3 years, 37.0 years, and 38.7 years, respectively.

This trend is expected to continue up to 2030, implying strong potential for an increase in income, and basic and healthcare spending, with a growing proportion of the population engaging in employment activities.

Trend in median ages across key countries

Country	1970	1990	2010	2015	2020P	2030P
Brazil	18.7	22.4	29.0	31.3	33.5	37.7
China	19.3	24.9	35.2	37	38.7	43.0
India	19.4	21.1	25.1	26.7	28.2	31.4
Russian Federation	30.8	33.4	38.0	38.7	39.6	42.6
UK	34.2	35.8	39.6	40.2	40.8	42.4
US	28.4	32.8	36.9	37.6	38.3	39.8
World	21.5	24.0	28.5	29.6	30.9	33.0

P: projected

Source: UN population estimates, CRISIL Research

India's per capita income rose at a healthy pace between fiscals 2012 and 2020

India's per capita income, a broad indicator of living standards, rose from Rs 63,462 in fiscal 2012 to Rs 94,270 in fiscal 2020, at 5.1% CAGR. This growth was led by better job opportunities, propped up by overall GDP growth. Moreover, population growth remained fairly stable at ~1% CAGR. However per capita income declined in fiscal 2021 owing to economic impact of Covid-19, per capita income declined by 9.7% on-year in fiscal 2021.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20RE	FY21RE	FY22AE
Per-capita net national income (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	85,110	91,723
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-9.7	7.8

RE: Revised estimates; PE: Provisional estimates; AE: Advanced Estimates

Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), CRISIL Research

The decline in poverty levels indicates rise in middle- and high-income group in India

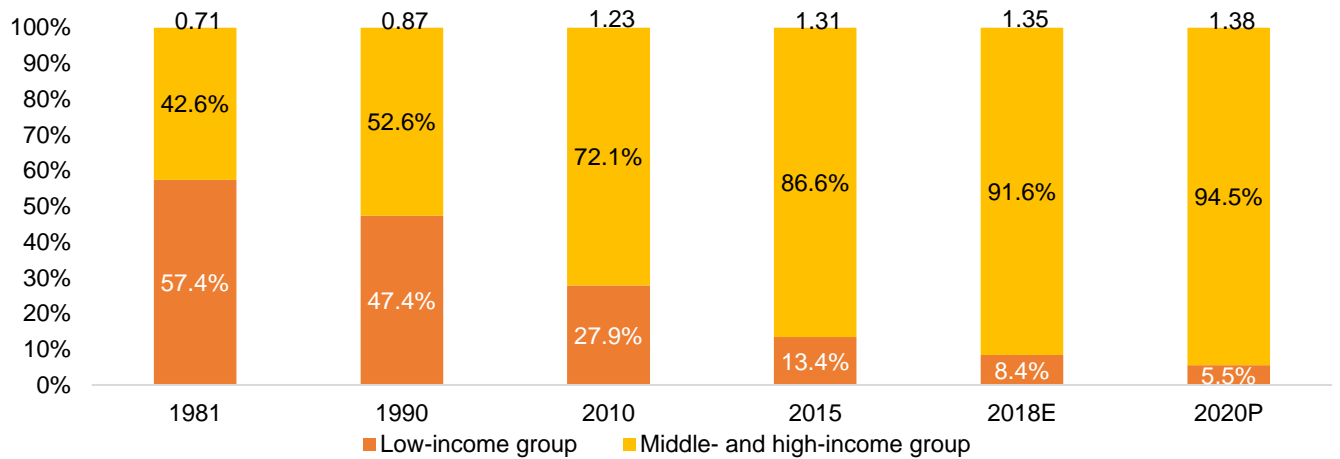
The World Bank, in its report 'Global Economic Prospects, January 2019', had estimated the number of poor (defined as those living at or below the international poverty line of purchasing power parity of \$1.90 per day) in India to decline sharply to 175 million people in 2015 from 405 million people in 1981. The share of poor in India's total population declined to ~13.4% over the period from 57.4%, and was estimated to be 8.4% in 2018. The decline in poverty has been attributed to an improvement in macroeconomic parameters, such as growth of the economy, employment rate and income equality, and adoption of employment and other public welfare schemes by the government.

The World Bank had projected the absolute number of poor in India to reduce to ~77 million people in 2020, thereby lowering the share of poor to ~5.5%.

The decline in the share of poor in total population indicates that the middle- and high-income group in India grew rapidly to 86.6% in 2015 from 42.6% in 1981, and was expected to reach 94.5% by 2020. A positive economic outlook, along with growth across key employment-generating sectors, such as real estate, infrastructure, and automobiles, is expected to have a cascading effect on overall per capita income levels of the population in the medium-to-long term. This, in turn, is expected to drive consumption expenditure and healthcare basic and discretionary spending.

Population categorised by income groups

(Share in %)



E: estimated, P: projected

Notes:

- The values bar column indicates the total population in billion for respective years as per UN population estimates.
- The World Bank defines poor as those living at or below the international poverty line of purchasing power parity of \$1.90 per day. Data for 2018 is estimate and data for 2020 is projection and calculated using data from the World Bank (2018).
- The low-income group includes the proportion of the population earning less than or equal to \$1.90 per day; the middle- and high-income group includes the proportion of the population earning more than \$1.90 per day.

Source: World Bank, CRISIL Research

Review of Consumer Price Index (CPI) in India

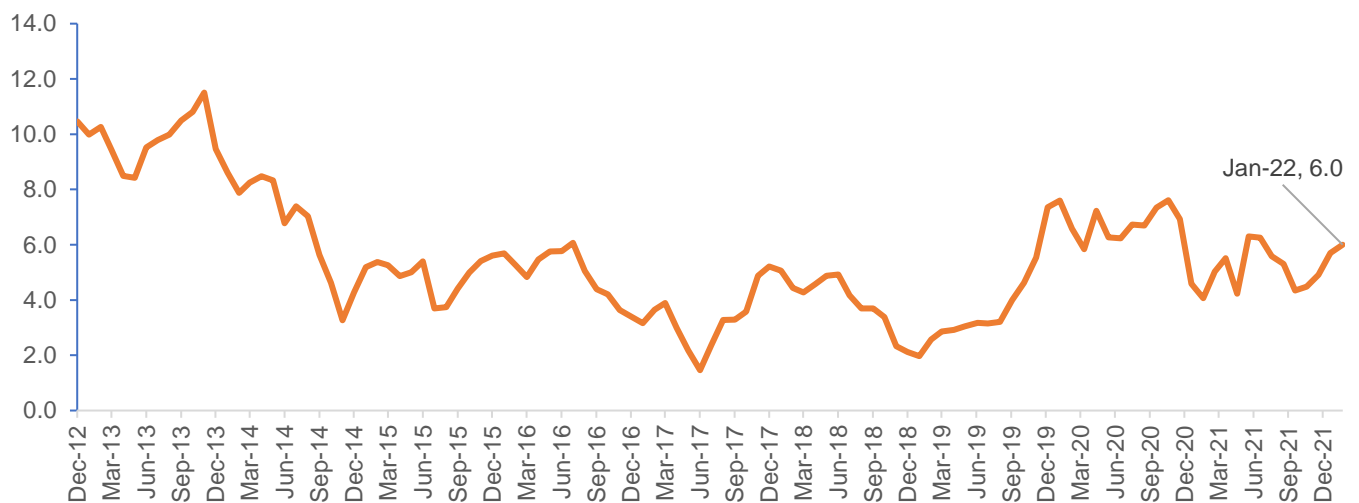
Inflation based on consumer price index (CPI) rose for the fourth consecutive month to 6% in January compared with 5.7% December 2021 and 4.1% in January 2021. On a sequential basis CPI has grown at 0.5% on-month during the January month similar to trend seen in past two months.

Headline inflation is now at the upper limit of Reserve Bank of India's target range of 2- 6%. A 'base effect driven' sharp rise in food inflation drove the rise in CPI, even as core CPI inflation (CPI excluding food and beverages and fuel and light) remained elevated.

Led by the rise in important food items such as cereals, vegetables and milk among others, food and beverage price inflation almost doubled to 5.4% Y-o-Y growth compared to 4% Y-o-Y growth during the previous month. However, the fuel inflation has eased falling below 10% supported by the slow growth in Liquid Petroleum Gas (LPG) prices coupled with decline in electricity prices. In addition, at its most recent meeting, the RBI decided to maintain its accommodative monetary policy going into 2022.

CPI in India

Y-o-Y (%) - Monthly



Source: MoSPI, CRISIL Research

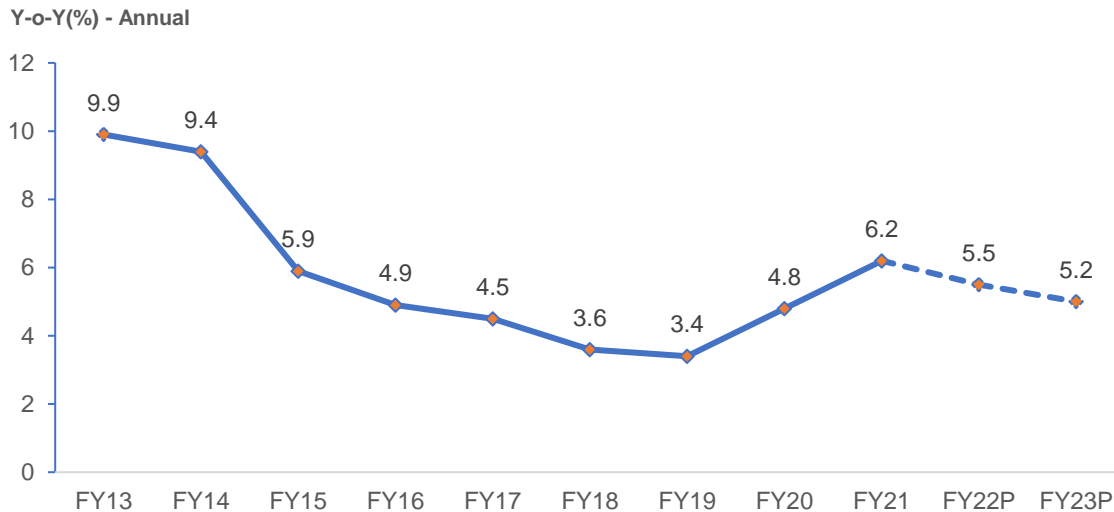
CPI inflation to average around 5.5% in fiscal 2022 and 5.2% in fiscal 2023

In this fiscal so far (April 2021-January 2022), CPI inflation has averaged 5.3%, compared with 6.4% in same period last year. CRISIL Research expects the CPI number to stay around these levels next fiscal, too. While lower excise duties on petrol and diesel relative to last year will help cap the rise in fuel inflation, the outlook on international crude prices has worsened considerably on account of rising geopolitical tensions.

CRISIL Research expects Brent crude prices to average \$80-85 per barrel in calendar 2022, compared with \$70.4 per barrel in 2021. The second upside risk might build on core CPI inflation. Fiscal 2021 has seen input cost pressures rising significantly for producers, while firms were unable to fully pass on cost pressures as demand recovery was weak and uneven, we believe it can increase next fiscal as recovery in domestic demand strengthens and becomes more broad-based.

Due to these factors, we expect CPI inflation to moderate only slightly to 5.2% in fiscal 2023 compared with an expected 5.5% in the current fiscal of 2022.

Outlook for CPI in India

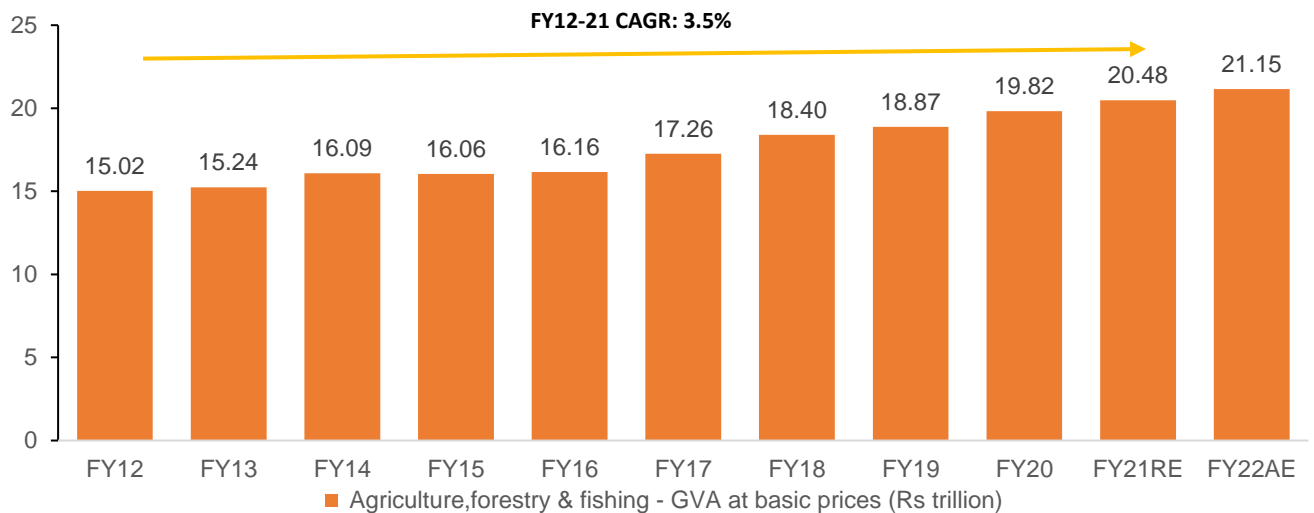


Source: MoSPI, CRISIL Research

Agriculture, Forestry and Fishing (AFF) contributes to 16.4% of the total GVA in fiscal 2021

The agriculture, forestry and fishing segment has been a key contributor to the total gross value added. The GVA of this segment has grown by 3.5% during the period FY12 to FY21. The segment contributed 15.5% of the total GVA during FY21.

Gross value added (GVA) by agriculture, forestry and fishing and share in total GVA (constant FY12 prices)



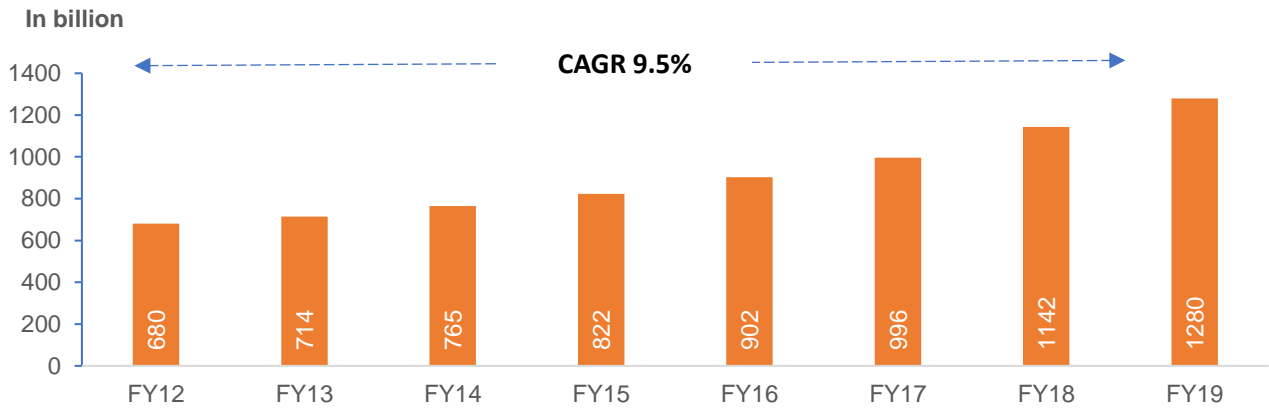
	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21RE
Share of Agriculture, forestry, and fishing in overall GVA	18.5	17.8	17.8	16.5	15.4	15.2	15.3	14.8	14.8	15.5

Source: Second advance estimates of national income 2021-22 and quarterly estimates of gross domestic product for the third quarter (Q3) of 2021-22 (Feb 2022), MoSPI, CRISIL Research

Share of fisheries sector in AFF have grown from 4.5% to 6.8% between FY17 and FY19

In terms of GVA, the fisheries sector has been fastest growing segment among the agriculture, forestry, and fisheries sectors. The GVA of this segment has grown by ~9.5% during the period FY12 to FY19. This segment has contributed a share of 6.8% in agriculture, forestry, and fisheries GVA, whereas ~1% to overall GVA as of fiscal 2019

Gross value added (GVA) of fishing and its share (constant FY12 prices)



	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Share of fisheries in Agriculture, forestry, and fishing	4.5%	4.7%	4.8%	5.1%	5.6%	5.8%	6.2%	6.8%
Share of fisheries in Overall GVA	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	1.0%

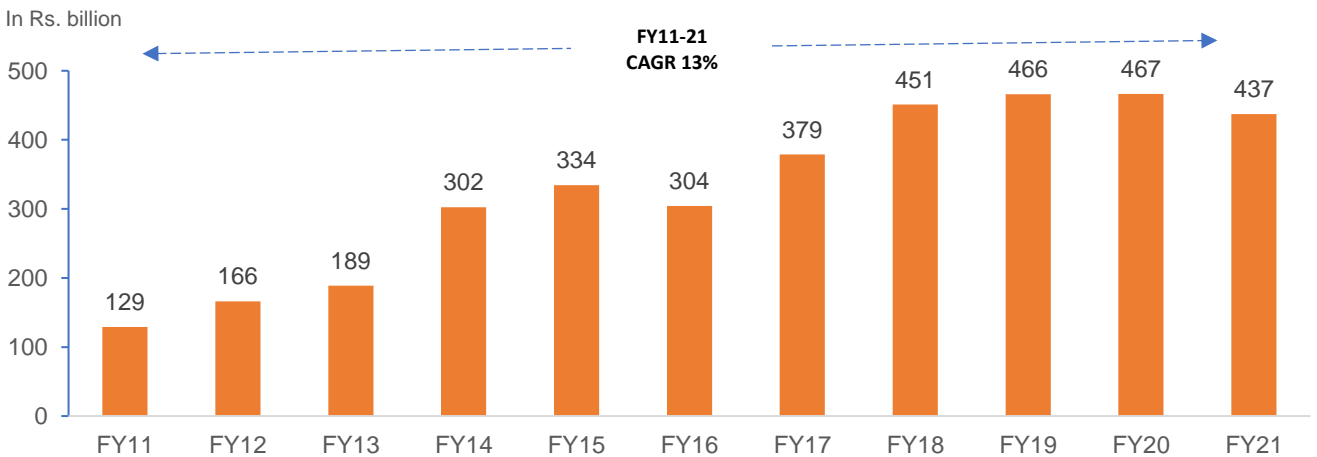
Note: Fiscal 2019 is the latest data available

Source: Central Statistics Office, Ministry of Statistics & Programme Implementation, Government of India, CRISIL Research

India's export of fish and fish products has grown at 13% CAGR from fiscal 2011 to 2021

India has a coastline of 7,516.6 km (including mainland, Lakshadweep Islands and Andaman & Nicobar) which aids India's fishing population. Export of fish and fish products from India has seen a growth of 13% CAGR from Rs.129 billion in fiscal 2011 to Rs. 437 billion in fiscal 2021. Of the total exports in fiscal 2021, frozen shrimp has occupied the highest share of 74% followed by frozen fish which occupied a share of 7% during the same period.

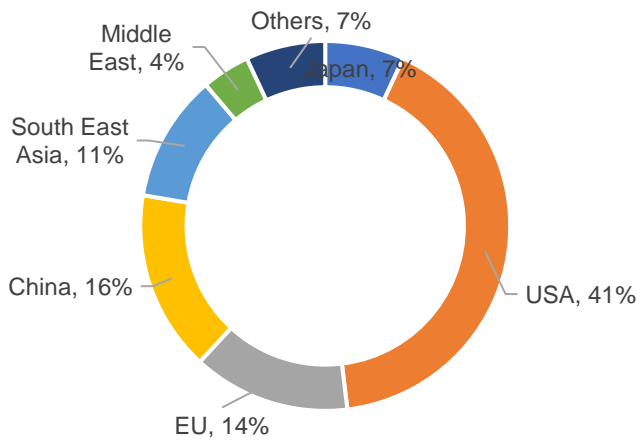
India fish and fish products exports



Source: MFRDA, CRISIL Research

Among the exports of fish and fish products, for fiscal 2021, USA stands as the major export market for India with a share of 41% followed by China (16%) and European union (14%).

Regional-wise share of fish and fish-product exports

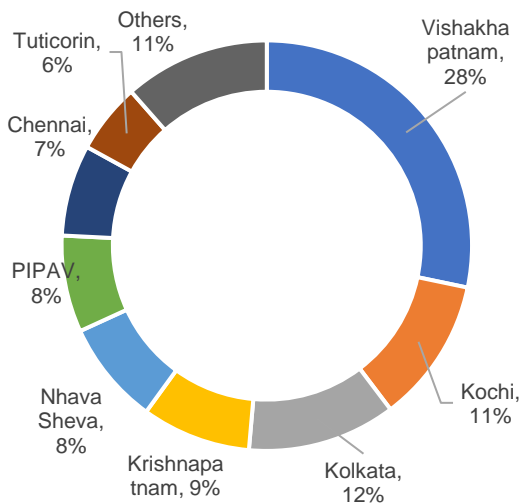


Source: MFRDA

Vishakhapatnam port contribute to highest export of fish and fish products (value terms) from FY18 to FY21

For fiscal 2021, exports of fish and fish products have been highest from Vishakhapatnam port with a value of 124 million occupying a share of 28% in total fish and fish products. It is closely followed by Kochi port with a share of 11% during the aforementioned period.

Port-wise share in exports (FY21)



Source: MFRDA

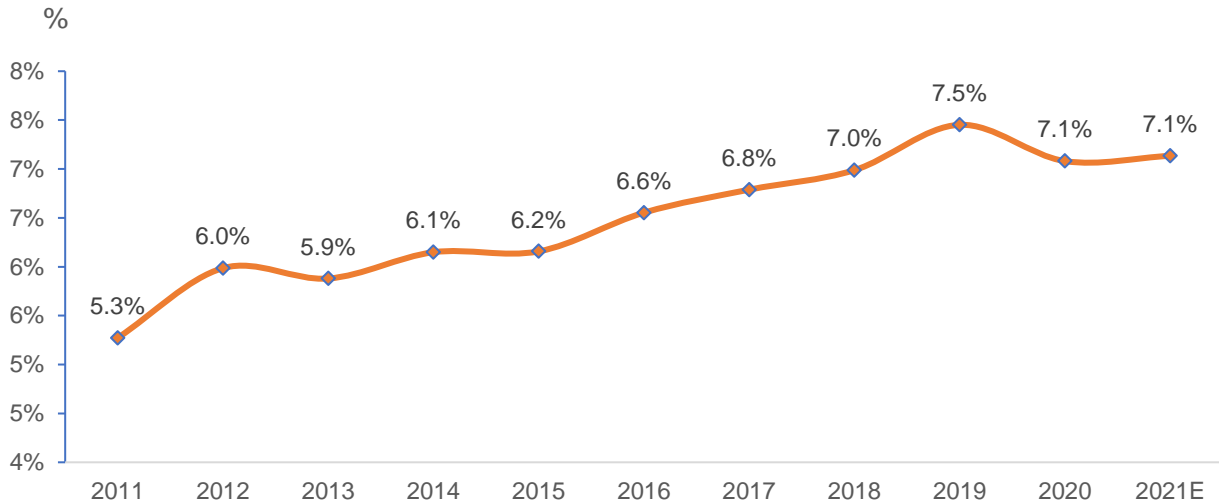
Port-wise export of fish and fish products

Rs. Mn	FY18	FY19	FY20	FY21
Vishakhapatnam	114	119	131	124
Kochi	58	59	49	50
Kolkata	49	52	53	51
Krishna Patnam	48	46	51	38
Nhava Sheva	47	48	44	36
PIPAV	49	48	46	33
Chennai	21	20	20	31
Tuticorin	27	28	29	24
Others	39	45	43	50
Total	451	466	467	437

India occupies a share of 7.1% in the global fish production as of CY 2021

As per OECD-FAO data, among the global fish production, India occupies a share of 7.1% as of CY 2021 estimates. This share of India has grown from 5.3% in CY 2011. During the periods mentioned from CY 2011 to CY 2021, as per OECD-FAO data, production of fish in India has grown at a CAGR of 5% reaching a value of 124.8 million tonnes.

Growing share of India in global fish production



Source: OECD-FAO Agricultural Outlook 2021-30 and CRISIL Research

Government providing support for the growth of fisheries sector in India

Pradhan Mantri Matsya Sampada Yojana (PMMSY)

As a part of Aatmanirbhar Bharat Abhiyan, PMMSY has been approved in fiscal 2021 in order to enhance the blue revolution by focusing on sustainable and responsible development of fisheries sector in India. The major objective and aims of this scheme include

- Harnessing of fisheries potential in a sustainable, responsible, inclusive and equitable manner
- Enhancing of fish production and productivity through expansion, intensification, diversification and productive utilization of land and water
- Modernizing and strengthening of value chain - post-harvest management and quality improvement
- Doubling fishers and fish farmers incomes and generation of employment
- Enhancing contribution to Agriculture GVA and exports
- Social, physical and economic security for fishers and fish farmers
- Robust fisheries management and regulatory framework

Inline with the above-mentioned aims and objectives, the scheme has envisaged following targets to be achieved during the period of the scheme catering to various segments such as productivity, employment generation and value addition in the fisheries sector.

Fish production and productivity	Economic value addition	Enhancing income and employment generation
<ul style="list-style-type: none"> Increasing fish production to 22 million metric tonnes by fiscal 2025 Improving the aquaculture productivity to 5 tons per hectare Increasing fish consumption in the country to 12kg per capita 	<ul style="list-style-type: none"> Increasing contribution of fisheries sector agriculture GVA to 9% by fiscal 2025 Increasing the earnings from exports to ₹ 1 trillion by fiscal 2025 Reduction in post-harvest losses from levels of 20-25% to 10% Encouraging private investments and entrepreneurship in fisheries sector 	<ul style="list-style-type: none"> Doubling the incomes of fishers and fish farmers Generation of 5.5 million employment opportunities directly and indirectly along the value chain

This scheme with an overall investment of Rs. 2,005 billion will be implemented over a period of five years from fiscal 2021 to fiscal 2025 as an umbrella scheme with two components

- Central sector scheme, wherein the project cost is borne by the central government
- Centrally sponsored scheme, wherein the cost will be shared between states and central government and all the sub-components/ activities will be carried forward by state/ Union territories

Fisheries and Aquaculture Infrastructure Development Fund (FIDF)

Fisheries and Aquaculture Infrastructure Development Fund (FIDF) has been envisaged under union budget 2018. With a fund size of Rs. 752.2 billion this scheme tries to improve the fisheries infrastructure facilities both marine and inland fisheries sectors and also achieve the target of 15 million tonnes by 2020 set under the Blue Revolution. In addition, FIDF also tries to achieve sustainable growth of 8-9% in order to achieve fish production of 20 million tonnes by fiscal 2023.

National Fisheries Development Board (NFDB) of Hyderabad acts as the Nodal Implementing Agency for implementation FIDF Scheme. FIDF provides concessional finance to the Eligible Entities (EEs), which include State Governments/Union Territories and State entities for development of identified fisheries infrastructure facilities. This concessional finance is provided through Nodal Loaning Entities (NLEs) such as

- National Bank for Agriculture and Rural Development (NABARD),
- National Cooperatives Development Corporation (NCDC) and
- All scheduled Banks

Activity-wise key proposals received

Sl.No	Name of Activity	Proposals	Project cost (Rs. Mn)
1	Establishment of Fishing Harbours	28	400.1
2	Development of Aquaculture	24	10.2
3	Establishment of Fish Landing Centers	23	34.5
4	Any other innovative projects/activities designed to enhance fish production/productivity/value	22	78.1
5	Modernization State Fish Seed Farms	13	63.8
6	Fish Processing Units	6	14.5
7	Establishment of state of art of Fisheries Training Centres	5	31.7
8	Introduction of Deep-Sea Fishing Vessels	5	0.5

Sl.No	Name of Activity	Proposals	Project cost (Rs. Mn)
9	Development of Hatcheries	5	2.3
10	Construction of Cold storage (both Marine and Inland Fisheries Sectors)	5	0.9

Note: data is as of January 7th, 2022

Source: National Fisheries Development Board, CRISIL Research

Blue revolution

Blue revolution which focuses mainly on increasing fisheries production and productivity from aquaculture and fisheries resources, both inland and marine was launched in December 2015 as centrally sponsored scheme. The scheme was launched for a period of 5 years from fiscal 2016 to fiscal 2020 with an outlay of Rs. 300 billion with following objectives

- To increase the overall fish production in a responsible and sustainable manner for economic prosperity
- To modernize the fisheries with special focus on new technologies
- To ensure food and nutritional security
- To generate employment and export earnings
- To ensure inclusive development and empower fishers and aquaculture farmers

Major targets achieved by the scheme include

Fish production

- Increase in fish production from 10.26 million MT in fiscal 2015 to 13.75 million MT in fiscal 2019

Productivity

- Enhancement in productivity from 2.3 tons per hectare to 3.3 tons per hectare

Exports

- Exports saw an increase from ₹ 3,344.2 million to ₹ 4,658.9 million in fiscal 2019

Source: Department of Fisheries, CRISIL Research

Kisan Credit Card (KCC)

During the budget announcement for fiscal 2019, Government of India has extended Kisan Credit Card (KCC) facility to fish and animal husbandry farmers in India. This scheme was introduced in order to meet the working capital requirement by fish farmers. The major aim of this scheme is to provide adequate and timely credit to farmers.

KCC facilities can be availed by Fishers, Fish farmers, Self help groups, woman groups and joint liability groups. Currently, a credit limit of Rs. 0.3 million is provided to already existing KCC farmers while a credit limit of Rs. 0.2 million is provided for new KCC farmers for activities related to fisheries and animal husbandry.

For fisheries the working capital costs that are included under KCC include recurring costs such as

- Seed
- Feed
- Organic and inorganic fertilisers
- Lime/ other soil conditioners
- Harvesting and marketing charges
- Fuel/electricity charges
- Labour and
- Lease rent (if leased water area)

For capture fisheries these working capital costs may include

- Fuel charges
- Ice
- Labouring charges

- Mooring/ landing charges etc.

As of fiscal 2021, 59,538 KCCs have been issued and additional 0.4 million applications are at various stages of issuance with banks.

Fisheries sector attracts a on-year growth of 51% in fiscal 2023 budget allocation

During the budgetary allocation for fiscal year 2023, department of fisheries has attracted a uptick of 73% with budgetary allocation rising from Rs. 14.07 billion (revised estimates) in fiscal 2022 to Rs. 21.18 billion in fiscal 2023. In addition, allocation for Pradhan Mantri Matsya Sampada Yojana (PMMSY) has been enhanced by 56% to Rs. 18.79 billion for the fiscal year 2022-23 from Rs. 12.1 billion (revised estimates) during 2021-22.

Parameter	Actuals FY21	RE FY22	BE FY22
	In billion	In billion	In billion
FIDF	0.09	0.1	0.12
PMMSY	7.09	12.10	18.91
Overall department of fisheries	8.82	14.07	21.18

BE: budget estimates, RE: Revised estimates

Source: Budget document

Key budget proposals for FY2022-23 for fisheries sector

In union budget for fiscal 2022-23, government has reduced customs duty on various products such as live vannamei shrimps (30% to 10%), black tiger shrimps (30% to 10%), frozen krill (30% to 15%), frozen mussels (30% to 15%), and frozen squids (30% to 15%). This reduction in customs duty will lower the cost of imports and thus boosting the growth in fisheries sector in turn aiding to achieve the export target of Rs.1 trillion by fiscal 2025.

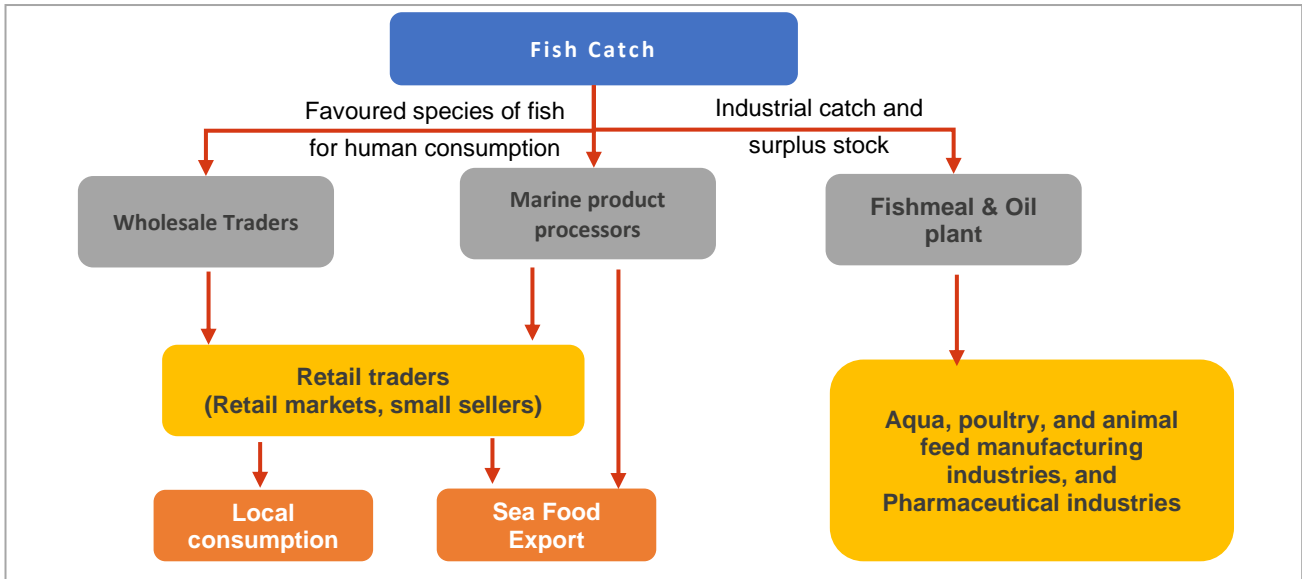
Overview of fishmeal and fish oil industry in India

Introduction

Fishmeal and fish oil, which have a huge demand in aquaculture and animal feed industries, are the most important co-products made from stocks of fish.

Established at the beginning of the 19th century, the industry mainly met the oil requirements of sectors such as leather tanning, production of soap and glycerol, paints and other non-food products. The dry residue left after extracting the oil – fishmeal – was used as fertiliser. By the 21st century, fishmeal started finding usage as animal feed due to its high protein content and fish oil in the medical field due to its high content of omega-3 fatty acids. Thus, as time progressed, the traditional uses of fish oil in various industries diminished. Now fishmeal is chiefly used in the diets of fish, pigs and poultry which need higher quality protein than other farm stock, such as cattle and sheep. Fish oil now finds application in pharmaceutical industries and in some dietary supplements.

Typical consumption pattern of fishery catch



Source: Industry, CRISIL Research

Note: Animal feed includes feed to animal husbandry industries and pet food industries

Fishmeal and fish oil are produced from i) fish considered as industrial catch (those caught specifically for making fishmeal and fish oil), ii) surplus stock from by-catch of fisheries for human consumption. Sometimes offal and trimmings from sea-food processing industries are used along with whole fish, mostly by smaller players, to produce fishmeal. Industrial catch are high protein edible species of fish such as sardines which are the major source of protein in aqua feed protein chain. While industrial catch comprises edible species of fish, they are not majorly favoured for direct human consumption. On account of economical price of the raw material (fish), wild species from sea are generally used in the fishmeal and fish oil industry rather than aquaculture species. According to the International Fishmeal and Fish Oil Organisation (IFFO), now known as IFFO - The Marine Ingredients Organisation, around 30-35% of the wild catch goes into the production of fishmeal and fish oil.

Value chain of the industry

The fishmeal and fish oil industry relies on fishing in oceanic waters for procurement of raw materials. Typically, the larger raw material vendors (fishermen) use mechanised and motorised boats while the smaller fishermen use non-motorised boats, along with gears such as seines, trawls, gillnets and bagnet for fishing. According to Central Marine Fisheries Research Institute (CMFRI) data, mechanised and motorised boats account for nearly 97% of the total marine landings while the rest 3% is accounted by non-motorised boats as of fiscal 2018.

In India, the peak season for fishing is August-December and the slack season is January-May. Fishing is not allowed in Indian waters during June-July as it is the monsoon season. Fishmeal and fish oil production follows the same season as fishing. The output is stocked to cater to the demand of domestic and exports market.

Availability of raw material key monitorable

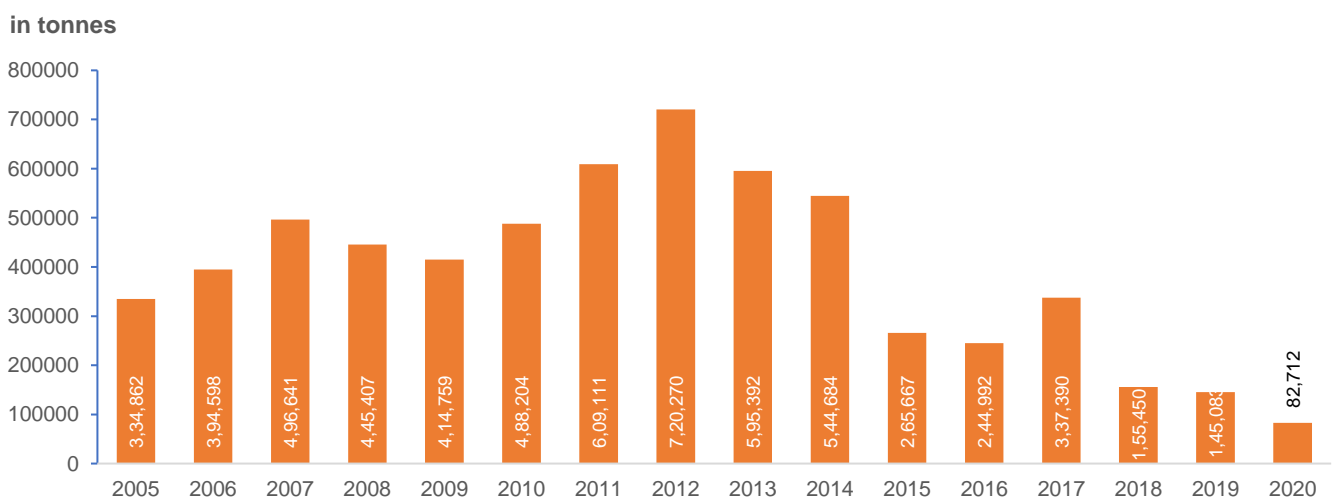
In the entire process of production of fishmeal and fish oil, availability of raw material is a key monitorable. The industry procures raw material from fishing in the oceanic water and thus is dependent on fish landings in the Indian coastal waters. Large players have diversified their procurement across the Indian coastline so as to minimize their dependence on one particular coastal landing and fish catchments.

The fish landings is an important factor which determines the total quantity available for fishing and further use. Any drop in the fish landings hugely affects the entire sea-food and fish processing industry, which is dependent on the wild catch. Also the quality of fish in terms of nutrient content and growth of adult population determine the yield and output quality of fishmeal and fish oil. Thus, even the prices of end product are dependent on the quality of fish caught. The dependency of multiple stakeholders (fishers, fish processors, consumers, industrialists and exporters) on fish landings makes it necessary to initiate appropriate management measures for judicious harvesting of the resource.

According to Indian council of agricultural research (ICAR) - CMFRI report on Indian oil sardine (IOS), availability of fish in the ocean water is affected by factors that are classified as i) environmental, such as El Niño and erratic rainfall; ii) biological, such as spawning failure, competition from other species of fish, and lack of food; and iii) anthropogenic, such as overfishing. Being a living natural resource, fish have limitations in replenishing and are severely affected by climatic and environmental changes. Any change in climatic conditions affects the growth and breeding of fish and thus impacts the adult population during a particular season in the coastal waters. Overfishing and fishing of juvenile species also affect the fish population over the long run.

IOS is a key raw material used by Indian fishmeal and fish oil industry. The landings of IOS have declines drastically from 0.5 Mn tonnes in 2014 to below 0.15 Mn tonnes in 2019 and further down to 0.08 Mn tonnes in 2020. According to CMFRI, IOS is known for its capricious nature with its seasonal, annual, inter-annual and decadal peaks and slumps in availability. The resilience of a fish population to exploitation is largely dependent on the reproductive traits. IOS species with its volatility is also known to replenish fast, after decline in availability, on account of its natural characteristics of rapid growth, early maturity, high fertility, and protracted spawning period. According to ICAR-CMFRI report, IOS species have medium to high resilience capacity and due to which the IOS fishery along the southwest coast of India is expected to revive in a span of 2 - 3 years post any decline, as supported by historical fishery trends. Decline in fishing landing due to over and unsustainable fishing and changing climatic conditions is a key risk factor for the fishmeal and fish oil industry.

Trend in Indian Oil Sardine landings in Indian Ocean (2005-20)

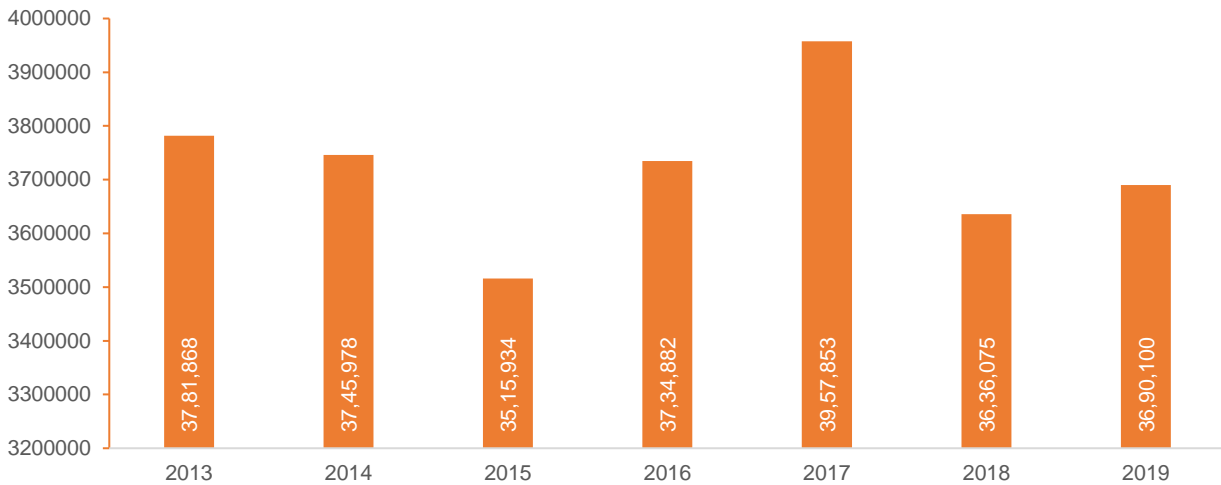


Note: Latest data available is as of 2020

Source: Central Marine Fisheries Research Institute (CMFRI), CRISIL Research

Trend in Marine landings

In tonnes



Note: Latest data available is as of 2019

Source: Central Marine Fisheries Research Institute (CMFRI), CRISIL Research

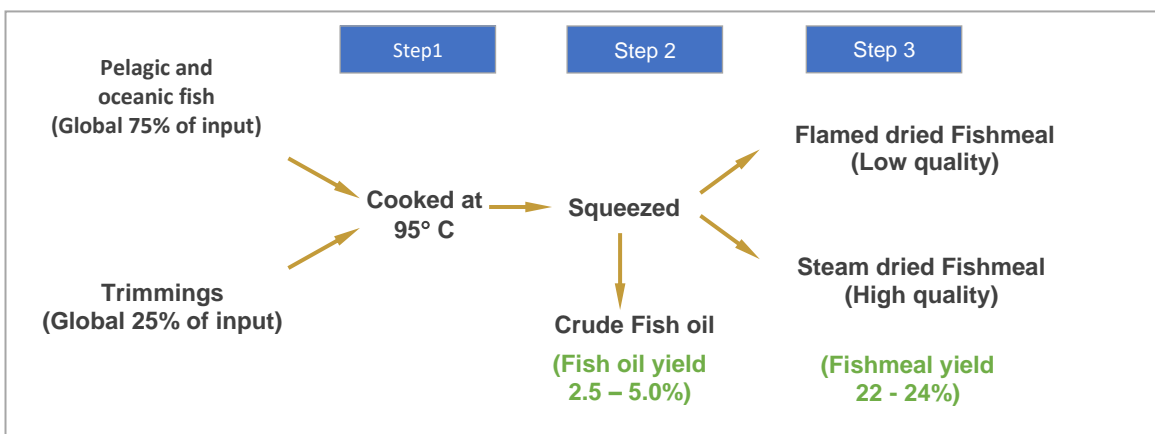
Fishmeal, fish oil are by-products obtained from cooked fish

Fishmeal and fish oil are produced by processing cooked fish. Fishmeal is the solid matter of fish and fish oil the liquid-oil matter. A liquid water-based by-product called fish-soluble, which is high in water content and contains soluble proteins, is obtained during the production of fishmeal and fish oil. Various species can be used for fishmeal and fish oil production, but oily fish are the main groups of species utilised.

Fishmeal is a concentrated source of protein. It is in powdered form and appears brownish in colour. Fish species with high protein content such as sardines, are cooked and pressed to remove liquid matter. The solid matter is further dried and ground to form crude flour or powdered fishmeal.

Fish oil is a clear brownish yellow liquid obtained by pressing the cooked fish. It is generally made from oily species, such as sardine, mackerel and tuna. The oil is derived from fish tissues. Oil sardine is the preferred source of fish oil due to its high contents of nutrients and omega-3 fatty acids.

Production of fishmeal and fish oil



Source: www.thefishsite.com, CRISIL Research

Manufacturing process of fishmeal and fish oil

There are several ways of making fishmeal from raw fish. The easiest is to let the fish dry in the sun and then grind it. This is the traditional method used in some parts of the world where processing plants are not available. The quality of the product, however, is poor compared with the ones made using modern methods such as steam sterilised plants. Almost all fishmeal is made by cooking, pressing, drying and grinding the fish in the machinery designed for the purpose. Although the process

is simple in principle, it requires considerable skill and experience, quality control, sustainable technology and R&D to produce high yield, and high quality product and to ensure that plants operates with high efficiency.

Cooking: While cooking, the protein in the fish is coagulated and much of the water and oil runs off, or can be removed by pressing. Raw fish does not lose much of the oil and water even under very high pressure and so cooking is required. A commercial cooker is used to cook and the fish is moved with the help of a conveyor system. Cooking is a critical operation, performed under controlled temperature and time. If fish is incompletely cooked, the liquid matter cannot be pressed out satisfactorily, and if it gets overcooked, the material becomes too soft for pressing. Drying is not done while cooking.

Pressing: Pressing removes some of the oil and water (liquid matter) from the cooked fish. The fish are conveyed through a perforated tube and subjected to increasing pressure. A mixture of water and oil is squeezed out through the perforations. The solid matter, known as press cake, is derived at the end of the process. During the pressing process, the water content may be reduced to about 50% from about 70% and the oil content to about 4% in the press cake.

Separation of oil: After straining coarse pieces of solid material, the liquid matter from the presses is continuously centrifuged to remove and separate the oil. The oil is sometimes further refined and filtered, before being pumped into storage tanks. The refined oil is valuable and is used in the manufacture of edible oils and fats.

In some other methods, the pressing machines are completely replaced by centrifuges. Centrifugal oil separation is modern technique used for oil separation. Solvent extraction is yet another method used to remove oil.

The water portion of the liquid matter contains dissolved material and fine solids in suspension. The solids are mostly proteins and the liquid can contain as much as 20% of them. It is normally well worth recovering the solids from the liquid matter. The material is recovered by evaporating the water and marketed separately as condensed fish soluble. This can be added back to the press cake and dried to make what is known as whole meal. This helps achieve high yield for production of fishmeal.

Drying: It is important to get the drying conditions right. If the meal is under-dried, there is a possibility that moulds or bacteria will grow. Conversely, if it is over dried, the nutritional value of the meal will reduce due to excess heat.

There are two types of drying process – direct and indirect. In the direct drying, hot air at a temperature of up to 500°C is passed over the material which is rotating rapidly in a cylindrical drum. This is quicker but heat damage is much more likely in this process if temperature and time are not carefully controlled. The fishmeal does not reach the temperature of the hot air as the rapid evaporation of water from the surface of each particle of fishmeal causes cooling. Normally, the product temperature remains at about 100°C.

The indirect drying process consists either of a steam jacketed cylinder or a cylinder containing steam heated discs which also rotates the fishmeal. Much of the unpleasant odour from fishmeal plants originates from the dryers; indirect drying process causes less trouble as it uses lesser air compared with direct drying process.

When the raw material, fish, contains less oil or is not oily species, the pressing will not yield high amount of useful liquid matter.

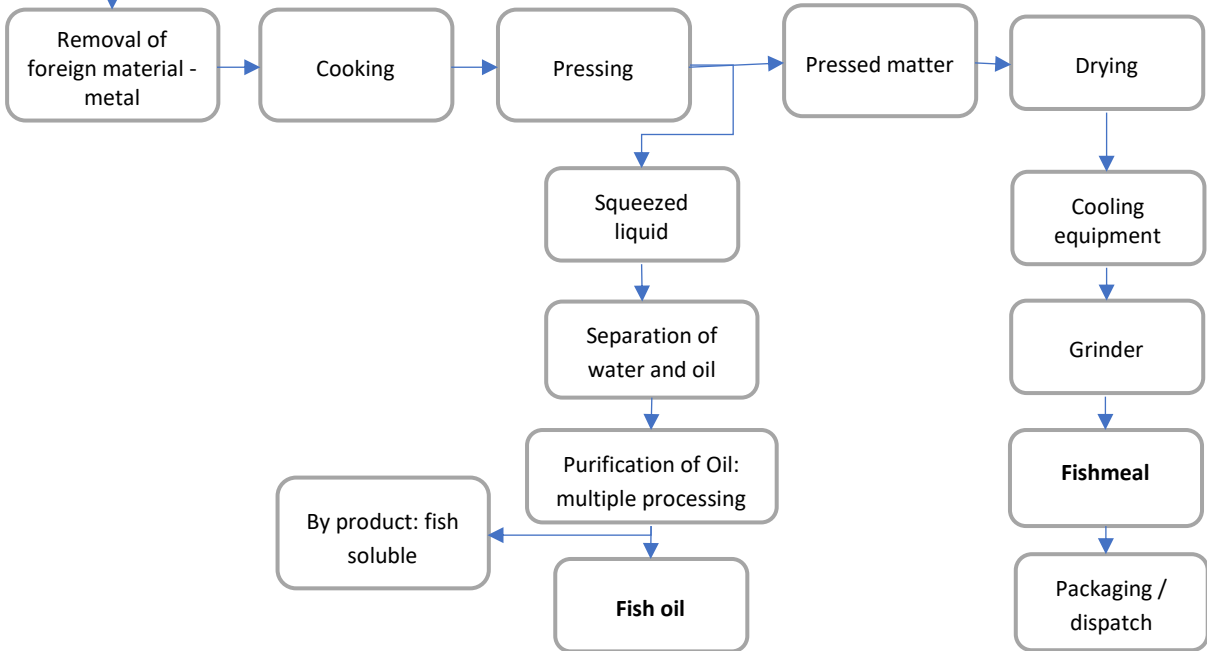
Grinding and bagging: The final step is to grind the solid matter and break down any lumps and particles of bone. The ground and dried fishmeal is then packed in bags or stored in silos for bulk delivery. Since water content in fishmeal is low, the shelf life of the products is good. High inventory of the product can be stocked by players.

Fishmeal & Fish Oil Value Chain



Manufacturing process

Raw fish: Oil Sardines
Other fishes such as mackerel, leather-jackets



Fishmeal is rich source of protein and essential amino acids

Fishmeal is predominantly used as a rich source of protein in compound feeds. Compound feed is animal feed made from a combination and mixture of various raw materials and additives. Non-compound feed has a single source ingredient.

Fishmeal carries large quantities of energy per unit weight and is an excellent source of proteins, lipids, minerals and vitamins and contains very less carbohydrates. It is easily digestible and considered as high-quality ingredient in aquaculture, poultry and animal feed industry. Fishmeal and fish oil is usually deemed unsuitable for direct human consumption, but fish protein concentrate (FPC), which is same as fishmeal but produced with high-quality inspection, is considered fit for human consumption.

The protein content of fishmeal varies from 50% to 65%, even reaching 70% when prepared from protein rich species. The table below depicts a comparison of protein content of various raw materials used to make animal feeds. Fishmeal also provides balanced composition of essential amino acid, phospholipids and fatty acids, which help optimum development, growth, and reproduction in animals. Fishmeal is largely used in aquaculture feeds, followed by pig and poultry sector. Compared with other protein feeds, fishmeal has the higher content of easily digestible proteins, minerals, vitamins, and essential amino acids. This makes it an essential ingredient in aqua, poultry and animal feed.

Protein content of fishmeal v/s other animal feed compounds

Feed raw material	Protein Content (% of dry weight of produce)
Roughage	10-15%
Grains & seeds	8-12%
Grain distilling by-products	15-20%
Other Oilseed meal	25-35%
Groundnut meal	40-50%
Soybean meal	45-55%
Corn Glut meal	55-60%
Fishmeal	65-70%
Fishmeal and offal	50-65%
Fish soluble	35-45%

Source: CRISIL Research

Based on protein content, fishmeal is classified into various grades. Final fishmeal product is rich in protein with 65-70% protein and contains 8-10% of fat, 8-10% of moisture and traces of ash, salt and sand. The acid value of fishmeal and total volatile base nitrogen (TVBN / TVN) are other parameters monitored for grade quality. The lower the TVBN the better, as it is used as fish spoilage indicator.

Grades of fishmeal and protein content

Grade	Protein content
Grade I	60-61%
Grade II	62-63%
Grade III	64-66%
Super prime grade	>67%

Source: CRISIL Research

Fishmeal's nutrient content and, resultantly, its grade depends on the species used and their nutrient content. Grade is dependent on the raw material; better the species of fish, higher the quality of meal. The same holds true for fish oil.

Oily fish and fish oil are the richest source of two groups of omega-3 acids

Fish oil is the fat or oil that is extracted from fish tissue. It is rich in two specific groups of omega-3 fatty acids: docosahexaenoic acid (DHA) and eicosapentaenoic acid (EPA). Omega-3 fatty acids are known to have various health benefits: they support healthy cardio-vascular function and development of the nervous system/ the brain, and boost the immune system.

The World Health Organization (WHO) recommends eating 1-2 portions of fish per week to meet the dietary requirement of fish oil. In the absence of fish intake, a fish oil supplement is recommended. Fish oil contains 30% omega-3 fatty acids as well as vitamins A and D.

Plant sources of omega-3 acids, such as flaxseed and chia seeds, contain another group known as alpha-linolenic acid (ALA).

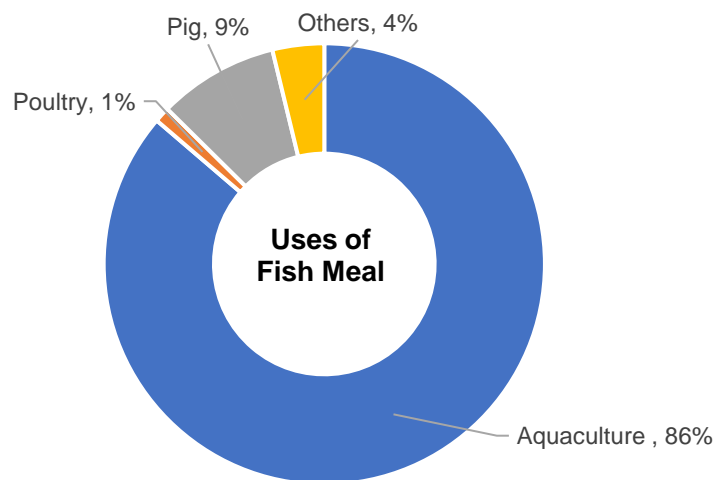
Aquaculture feed represents the dominant usage of fishmeal and fish oil at 86% and 70% respectively for CY 2020

As per IFFO 2021 report, aquaculture feed represents the dominant usage of fishmeal globally at 86% for CY 2020. Fishmeal is transported from the factory to the compound animal feed manufacturers, where it is mixed with other ingredients to make an ideal aquaculture or animal feed. Some of the key players operating in the Indian aquaculture feed manufacturing industry include Avanti Feeds, Godrej Agrovet, Anmol Feeds, CP Foods, Devi Sea Foods, and Grobest Foods.

Fishmeal is also used to fortify feed for animals and poultry. According to industry interactions, incorporating less than 5-10% in the feed for farm animals achieves positive effects. Fishmeal has served as a protein source for livestock for decades because in addition to the beneficial protein and amino acid composition, it has high digestibility of over 90%.

Fishmeal and fish oil contribute indirectly to human consumption as they are used as feed in aquaculture and livestock raising. Application in aquaculture, which has been recording high growth rates worldwide due to the limited catch of wild fish, is especially important for fishmeal and fish oil as it forms an important diet constituent.

Uses of fishmeal (in CY 2020)



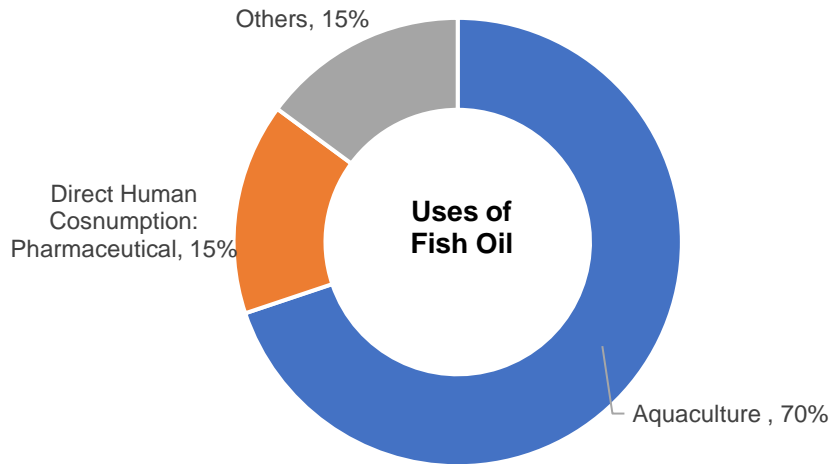
Note: Others include other animal husbandry industries such as cattle, pet feed and agriculture fertiliser.

Source: IFFO, CRISIL Research

Fish oil is largely used for aquaculture feed to maintain omega-3 diet nutrient

As per IFFO 2021 report, aquaculture feed sector dominates fish oil consumption with ~70% share worldwide as of CY 2020. Aquaculture feed requires fish oil as specific species such as oily or carnivorous fish (salmonids and shrimps), chiefly consumed by humans, need to be fed with feed containing fish oil in order to ensure natural diet and to achieve the natural nutrient make-up of fish.

Uses of fish oil (in CY 2020)



Note: Others include cosmetics, animal feed industry, and industrial applications such as paints, leather processing, inks, lubricants etc.

Source: IFFO, CRISIL Research

Use of fish oil directly in human foods and capsules is on the rise. The use in nutraceuticals – nutrients plus pharmaceuticals - had been increasing even more rapidly than that in aquaculture. Fish oil is also used in traces in some cosmetic products.

Other uses include as a carrier for pesticides, in paints and in the leather industry. Fish oil is refined to reduce free fatty acid content and bleached to reduce the colour to be used for different industrial applications, including resins for paints and polymer, ceramic deflocculants and release agents, rust inhibitors and water repellent. Fish oil oxidises rather quickly and turns rancid and, hence, is avoided in packaged food.

Indian fishmeal and fish oil industry size

In India, the states of Karnataka, Kerala, Maharashtra, Gujarat and Tamil Nadu are home to key fishmeal plants. Karnataka has the maximum number of fishmeal plants - mostly in and around Mangalore.

Indian fishmeal and fish oil industry declined at (2)-(4)% CAGR between fiscals 2017 and 2021

CRISIL Research estimates, the Indian fishmeal and fish oil industry de-grew at a CAGR of (2)-(4)% from Rs 18.0 – 19.0 billion in fiscal 2017 to Rs 16.0 – 18.0 billion in fiscal 2021, largely driven by decline in production of fishoil.

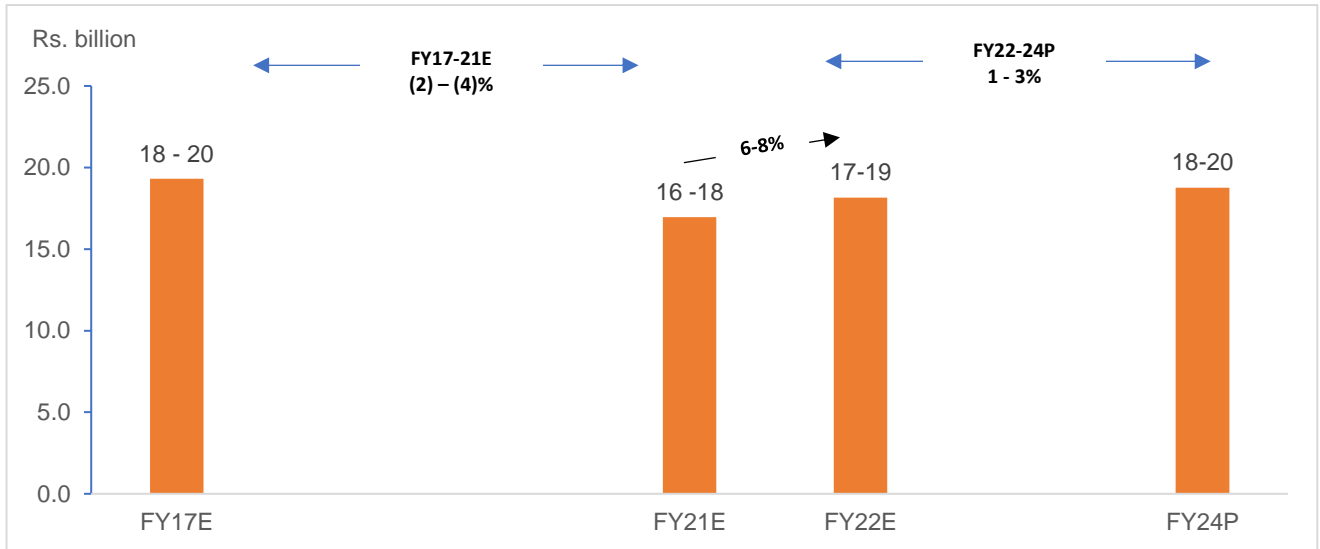
In volume terms as well, CRISIL Research estimates the industry to have de-grown at a CAGR of (2)-(4)% from 140,000-160,000 tonnes in fiscal 2017 to 130,000-150,000 tonnes in fiscal 2021. This decline can be attributed to decrease in fish landing (specifically of oil fish) over the years. In addition, as per our industry interactions, implementation of GST on fish oil (at 12%) and fish meal (at 5%), since 2019, has led to increase in prices, causing end consumers to favour cheap imports as compared to domestic produce.

Going forward, CRISIL Research expects the fishmeal and fish oil industry to grow to Rs 18 - 20 billion by fiscal 2024 growing at a CAGR of 1-3% from fiscal 2022. This future growth is dependent on the improvement of fish landings from the current scenario. Alternatively, if the fish landings to increase as anticipate CRISIL Research expects to remain stagnant during the aforementioned period.

According to IFFO, aquaculture growth is not limited by availability of fishmeal, however it remains an essential feed constituent which is not easy to substitute. Growth of the aquaculture industry will provide the opportunity for fishmeal and fish oil players.

Although there exists an adequate demand for fish meal and fish oil in India driven by the aquaculture industry, the production of fish meal and oil depends on the natural availability of fishes and prevailing climatic conditions during the period inturn creating a supply constraint. In addition to that, the fish availability also depends on the reduction in unsustainable fishing practices wherein juvenile fishes are being caught and processed resulting in overexploitation of resources leading to reduction in fish stock.

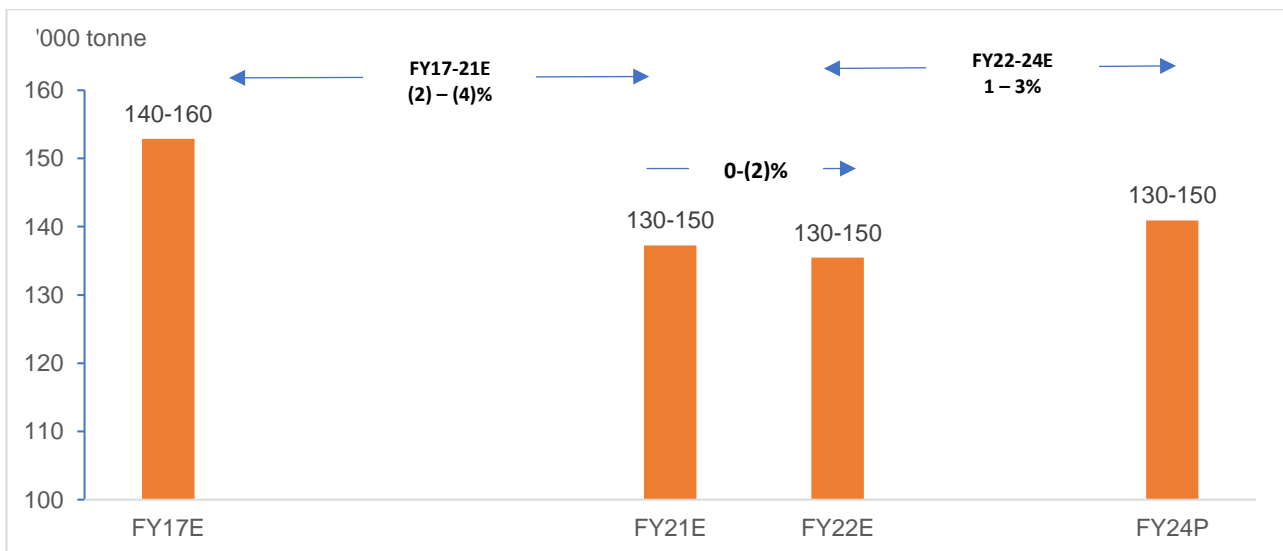
Industry size of Indian fishmeal and fish oil (value terms)



Note: E: Estimates, P - projected

Source: CRISIL Research

Industry size of Indian fishmeal and fish oil (volume terms)



Note: E: Estimates, P - projected

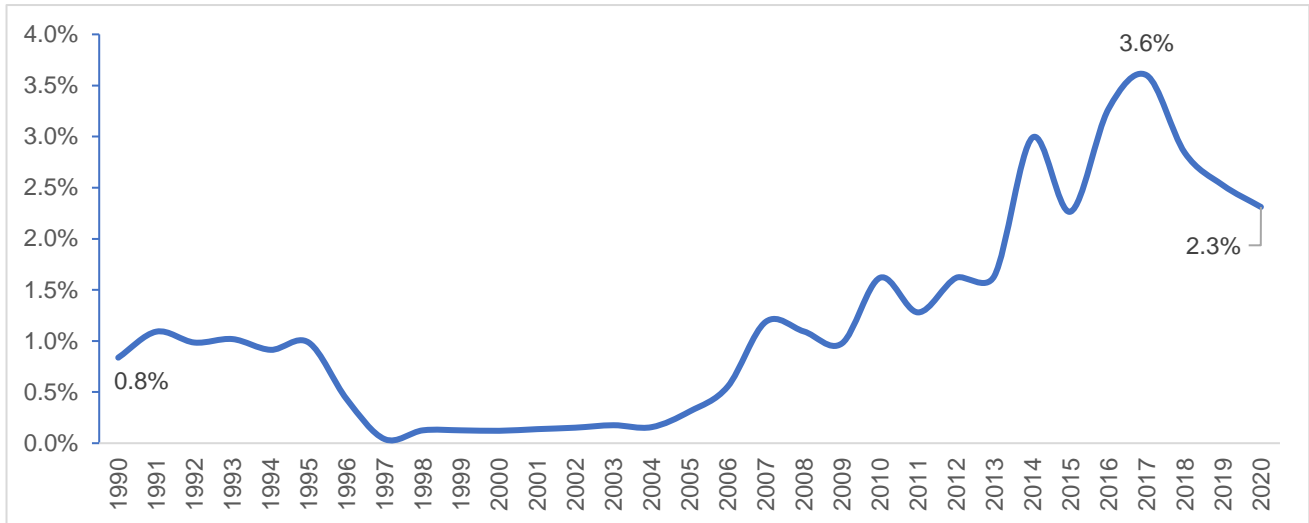
Source: CRISIL Research

Share of Indian fishmeal and fish oil in global production stands at 2.3% in CY 2020

The Indian fishmeal and fish oil industry began to flourish and develop only in the past 15-20 years on account of export demand following a reduction in global production of fishmeal and fish oil.

India accounts for a very low share in global fishmeal and fish oil production but has seen rapid rise over the past two decades; from 0.8% in CY 1990, the share increased to 1.5% in CY 2013 and 2.3% in CY 2020.

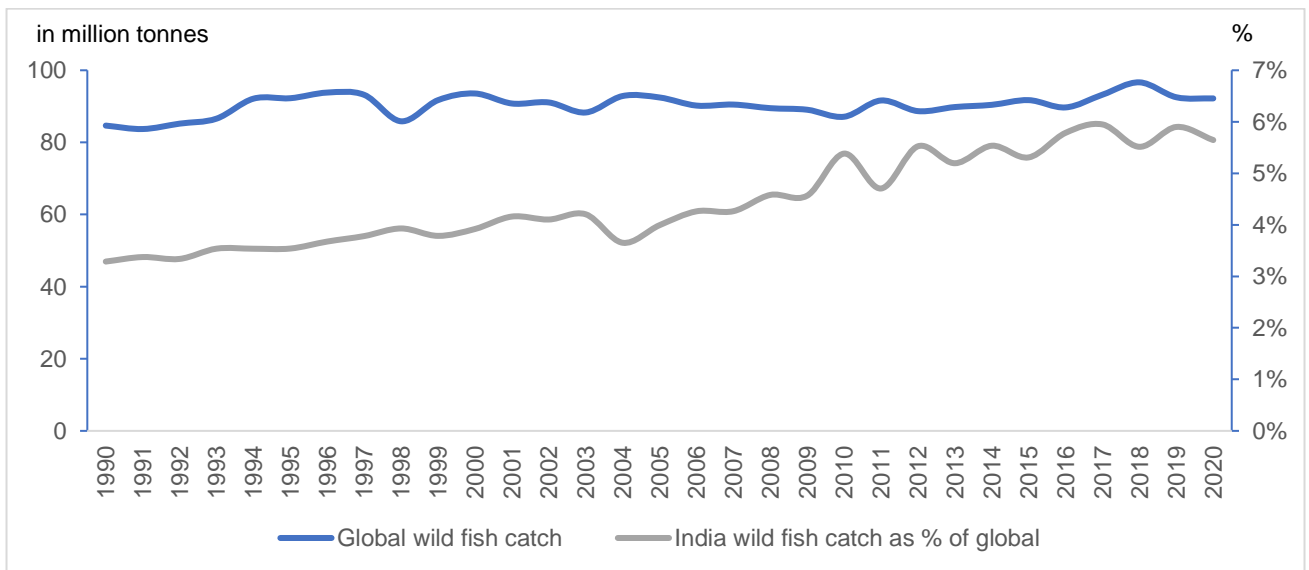
India's fishmeal and fish oil production as a percentage of global production



Source: OECD-FAO Agricultural outlook 2021-30 and CRISIL Research

India's share in global capture of fish has increased steadily over the years due to various factors such as development of relevant industries, increase in the use of modern techniques for fishing, etc. According to OECD-FAO 2020 data, India ranks fourth, after China, Indonesia, and Peru, in terms of country-wise wild fish capture as of 2020. According to OECD-FAO data, India's share in global capture of fishes is expected to remain range bound due to environmental limitations in the supply of fish. Global capture of fish has been stagnant since the 1990s and the trend is likely to continue or decline slightly due to the emphasis on sustainable fishing and limitation in replenishment of fish population.

India's wild fish catch versus global wild fish catch



Source: OECD-FAO Agricultural outlook 2021-30 and CRISIL Research

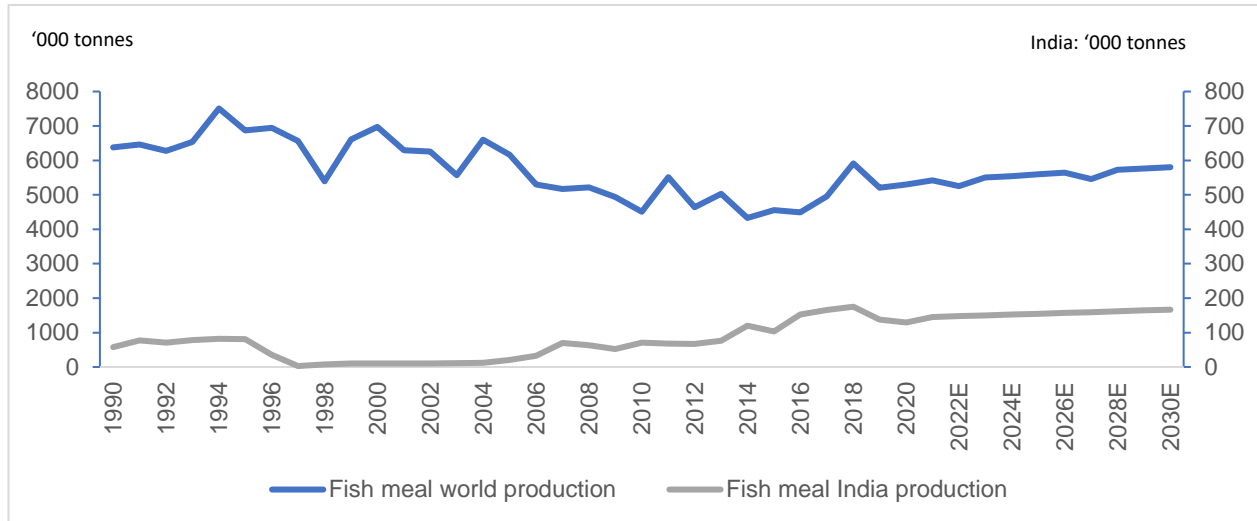
India's production rose 5% in the past decade, faster than global production

Indian fishmeal and fish oil production has trended upwards over the past decade or so. As per OECD-FAO data, global production of fishmeal and fish oil grew at a CAGR of 2% between CY 2010 and CY 2020, whereas India's production grew at a CAGR of 5% during the same period. OECD-FAO expects global fishmeal and fish oil production to grow at a moderate pace in the mid-term and long-term on account of limitations in the availability of fish.

Global production of fishmeal and fish oil has been volatile

Fishmeal and fish oil production is volatile in nature due to variability in raw material availability. According to OECD-FAO Agricultural Outlook 2021-30, global fishmeal and fish oil production has been volatile during the past two decades as seen in the production charts below from CY 1990 to CY 2020. Global fishmeal and fish oil production has been declining slowly due to limited supply of fish and concerns over sustainability. According to OECD-FAO, global fishmeal supply is likely to remain tight but stable in the future, except during El Niño years.

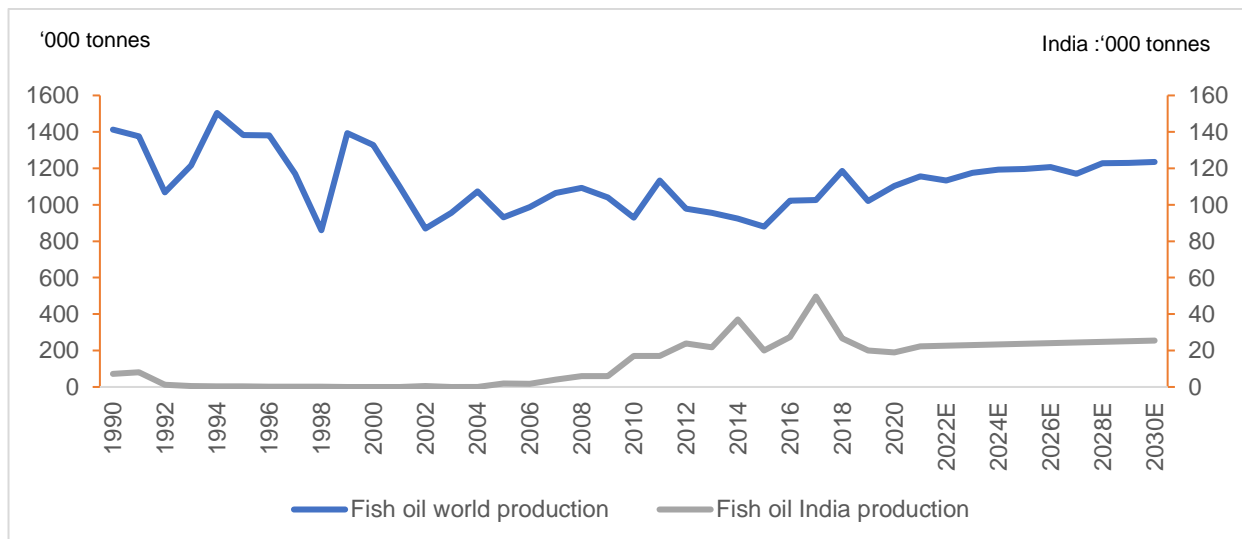
Fishmeal production



Note: India’s production is plotted on secondary axis with scale of 1:10; E – estimated by FAO-OECD

Source: OECD-FAO Agricultural Outlook 2021-30 and CRISIL Research

Fish oil production



Note: India’s production is plotted on secondary axis with scale of 1:10; E – estimated by FAO-OECD

Source: OECD-FAO Agricultural Outlook 2021-30 and CRISIL Research

Trend in India’s fishmeal and fish oil (FMFO) exports

The Indian fishmeal and fish oil industry caters to both export and domestic markets. It is marked by seasonality. According to industry sources, the peak season for exports is from August to December-January. Export demand is dependent on production from the top 10 producing countries and inventory levels.

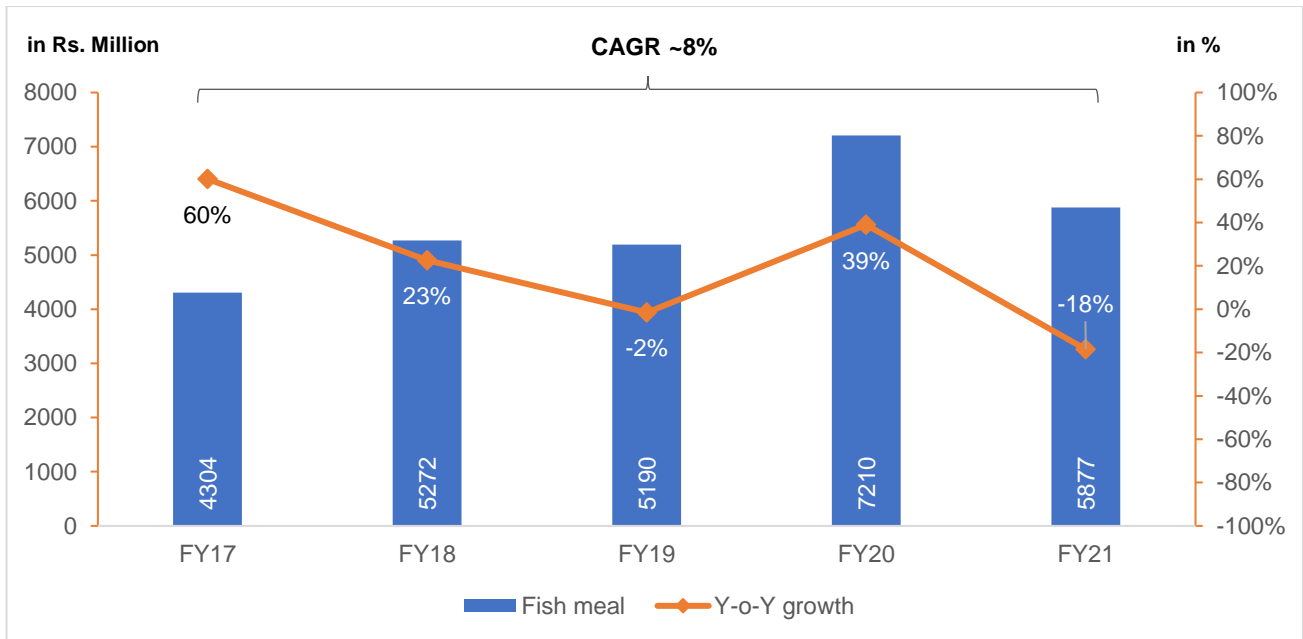
Indian fishmeal exports grew at 8% CAGR (value terms) from fiscal 2017 to fiscal 2021

In value terms, exports increased at ~8% CAGR from Rs 4,303 million in fiscal 2017 to Rs 5,876 million in fiscal 2021. In volume terms for fiscal 2021, fishmeal exports were ~70,000 tonnes in volume terms, up from ~54,000 tonnes in fiscal 2014, registering a CAGR of ~7% during fiscals 2017 to 2021. Growth has not been uniform across years, as exports are dependent on factors such as i) the catch during a year, which is affected by climate changes, and ii) the demand from domestic compound feed industry.

In 2020, though FMFO volume has declined drastically exports saw an uptick in value terms. This is due to poor performance of the second Peruvian fishing season leading decline in fish production from Peru region, creating a supply shortage causing

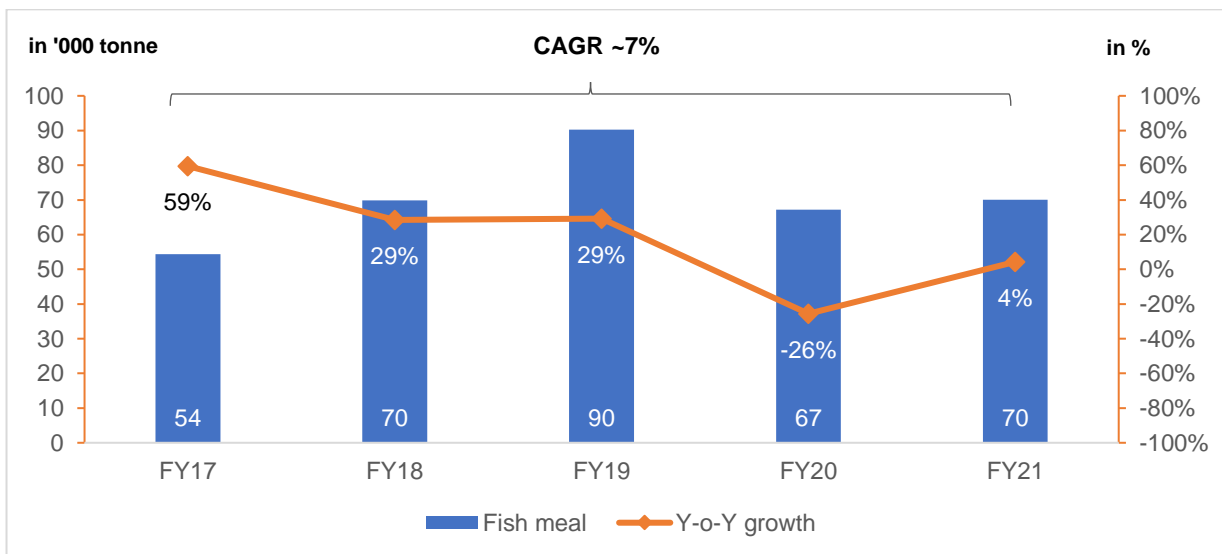
an increase in prices. However, FMFO exports (in value terms) have declined in fiscal 2021 (value terms). This can be majorly attributed to higher fish production season for major exporting nations such as Peru and Chile along with lower prices provided by these countries when compared domestic FMFO prices.

India's exports of fishmeal in value terms



Source: DGCI&S, CRISIL Research

Exports of fishmeal in volume terms



Source: DGCI&S, CRISIL Research

Indian fish oil exports (value terms) dipped drastically between fiscal 2017-21 due to reduced fish landings

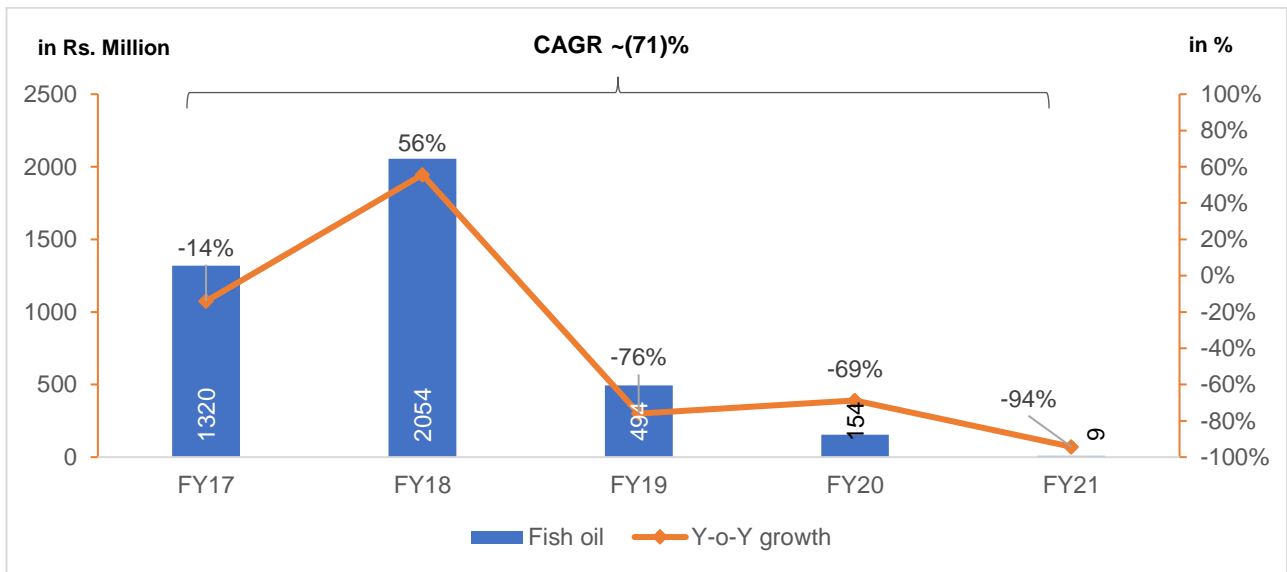
Fish oil exports declined from Rs. 1,320 million in fiscal 2017 to Rs 9 million in fiscal 2020 at a CAGR of ~71%. Volume of fish oil exports also dipper at a similar rate as value. In volume terms, fish oil exports dropped from 15 tonnes in fiscal 2017 to 0.1 tonnes in fiscal 2020 at a CAGR of (70)%. Growth in fish oil exports was affected by species and quality of fish landings.

In case Fiscal 2018 saw rise in fish oil exports after declining in fiscal 2017, on account of improvement in oil sardine landing on the Indian coast.

However, from fiscal 2019, reduction in fish landings stands as the major reason decline in exports. Fiscal 2019 saw drastic drop in fishmeal and fish oil exports on account of fall in sardine fish landings on Indian coast (~40% decrease from fiscal

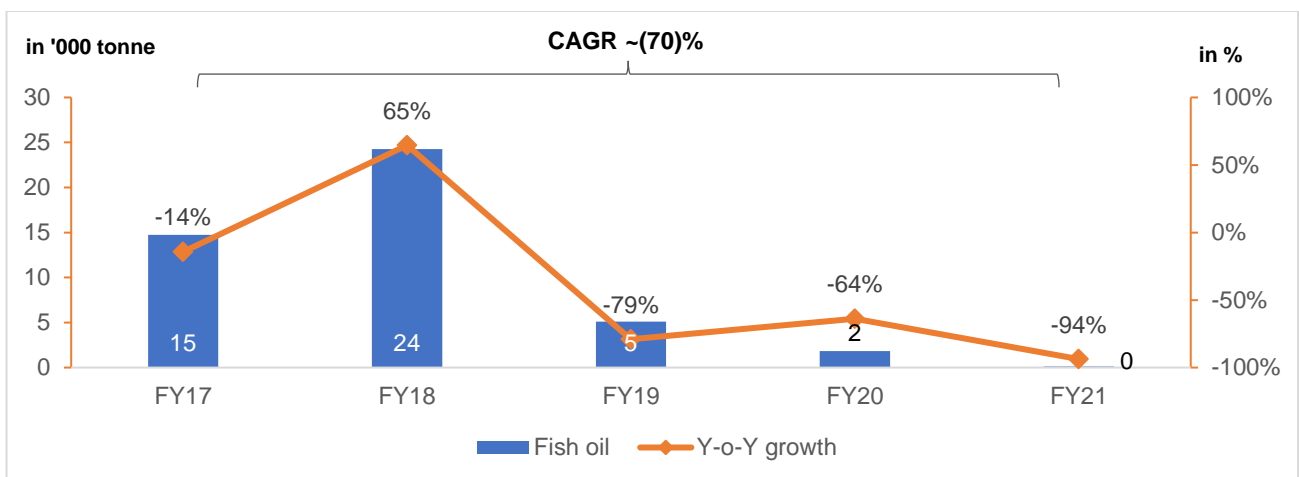
2018 landings, as per CMFRI data).

Exports of fish oil in value terms



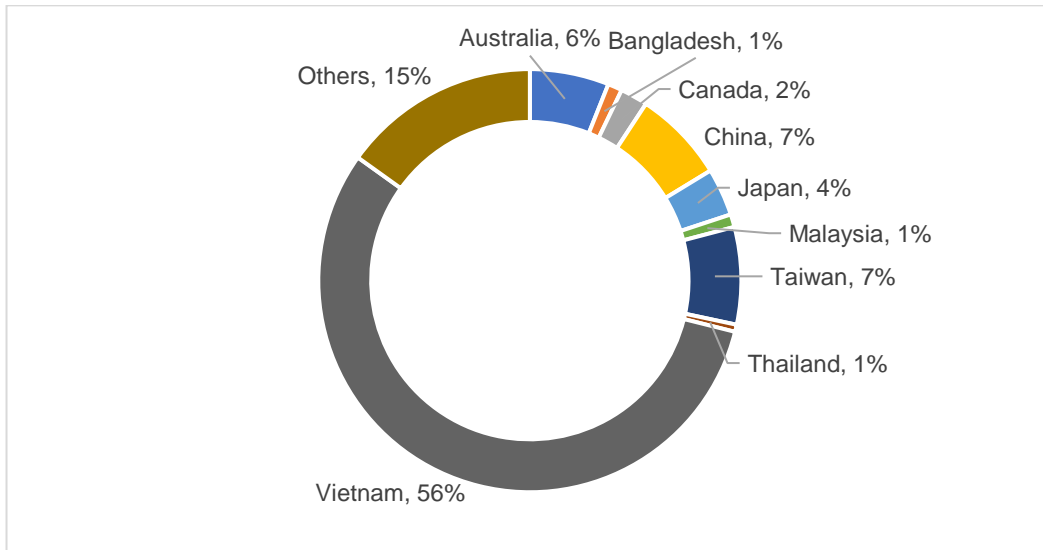
Source: DGCI&S, CRISIL Research

Exports of fish oil in volume terms



Source: DGCI&S, CRISIL Research

Share of countries in Indian fishmeal and fish oil exports: as of fiscal 2021



Source: DGCI&S, CRISIL Research

India exports fishmeal and fish oil to the Asia-Pacific region - Vietnam, Taiwan, Bangladesh, Japan, Saudi Arab, Thailand, Australia, and Malaysia.

Since end of 2018, Indian players could cater to Chinese demand for fishmeal and fish oil

In November 2018, a protocol on hygiene and inspection requirements for the exports of fishmeal and fish oil from India to China was signed by the two countries, during the visit of Hu Wei, Vice Minister of General Administration of Customs of China (GACC). This will enable India to commence exports of fishmeal and fish oil to China. According to Indian press information bureau (PIB) notice dated November 28, 2018, India received clearance to export fishmeal and fish oil to China. A protocol on hygiene and inspection requirements for the export fishmeal and fish oil from India to China was signed on the day. As per International Trade Centre data for the period 2018, China imported fish oil to the tune of USD 183 million and fishmeal and allied products to the tune of USD 2,228 million.

Growth drivers for the industry

Fishmeal and fish oil are not only a rich source of protein and essential fatty acids (EPA and DHA), respectively, but also contain an optimal mix of vital nutrients and are easily digestible. The Fishmeal and fish oil are valuable and essential ingredient in the feed industry. Fishmeal and fish oil have been increasingly used in the aquaculture industry and the growth in aquaculture industry is driving prices of fishmeal and fish oil higher. Following growth drivers for the industry are detailed below:

Growth in compound animal feed market, especially aqua feed

India is one of the largest global producers of animal feed and the Indian compound animal feed market is growing at a fast clip. The industry is expected to record 3.5-4.0% CAGR, in value terms, between fiscals 2022 and 2025. Fishmeal is an essential feed element for the compound feed industry and, thus demand for fishmeal is expected to be strong going forward.

Within the animal feed market, during the same period, aqua feed is expected to grow fastest at 9-10% CAGR (value terms) driving higher growth for protein-rich feed such as fishmeal and fish oil. About 70-75% of fishmeal and fish oil demand is from the aquaculture industry. The aquaculture industry is expected to grow strongly on rising per capita fish consumption.

Government initiatives to support growth of aquaculture and fisheries industry in India

India is the second largest fish producer in the world and central government has recognised the fisheries sector as the 'sunrise sector'. In addition, this sector provides livelihood to 28 million people at primary level and twice the number across the value chain. In order to support the fisheries and aquaculture sector in India, Government has brought in various schemes such as PMMSY, FIDF and Kisan Credit Card. These schemes cumulatively aim at increasing fish production and the aquaculture exports from India, decrease the post-harvest losses. The PMMSY aims to achieve an annual production of 22 million metric tonnes by 2025 and increase the per capita consumption to 12 kg.

Furthermore, in the union budget of 2021, announcement for the development of 5 fishing harbors in the regions of Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat was made. Under this, Rs. 60 billion will be spent in order to develop the infrastructure facilities at these ports. As per PIB, Preparation of DPRs and Impact Assessment Study wherever required will be completed by 30th Sept, 2021 followed by sanction of the Projects by 31st December, 2021.

The above-mentioned initiatives by Government of India would bolster the growth in the aquaculture and fisheries industry, would inturn lead to growth of the FMFO industry as it acts major raw material for the production of fish feed which is used

aquaculture industry.

Increase in demand for nutraceuticals – nutrients plus pharmaceuticals

Increasing health disorder due to sedentary lifestyle and poor habits has encouraged the use of nutraceuticals, which provide adequate supply of essential nutrients that helps lower the risk of diseases. Awareness and access to information and rising risk of health disorders have increased awareness about nutrition and healthy diet, which has led to an increase in demand for health supplements and nutraceuticals.

Omega-3 pills and related products derived from fish oil are gaining importance as high nutrient and healthy dietary supplements. As already mentioned, omega-3 fatty acids have various health benefits and support healthy functioning of the heart, brain, nervous system, eye, bones and joints. Along with supporting various body functions, they provide protection from numerous diseases. Dietary supplements and foods fortified with essential nutrients such as vitamins, iron and omega-3 acids are more in demand now.

Growth challenges for the industry

In spite of growing demand and importance of fishmeal and fish oil, the industry faces various challenges to cater to rising demand. The foremost challenge is volatile nature of raw material (fish) and adherence to sustainable fishing practices.

Limited and volatile supply of raw material

The Indian fishmeal and fish oil industry's annual turnover is dependent on the availability of fish. Indian oil sardine is key species used for production of superior grade of fishmeal and fish oil. By nature, the Indian oil sardine is prone to wide fluctuation in availability due to environmental factors. Environment has a direct impact on growth and reproduction of Indian oil sardine. Central marine fisheries research institute (CMFRI) in its study report on Indian Oil Sardine (IOS) remarks that various environmental factors affect biologically functioning (which includes growth rate, food availability, spawning failure etc) of fishes that impact the fish landing in coastal areas, both in terms of quality and quantity.

The impact of El Niño also cannot be ruled out. According to CMFRI, the IOS landing is impacted by the occurrence of El Nino effect. Though IOS decline is associated with onset and retreat of El Nino, the species recovers quickly on account of its medium to high resilience to exploitation on account of its inherent qualities like high fecundity (fertility), rapid growth, short generation turnover time and protracted spawning period. Over the previous years, IOS landing peaked in FY2013 post which it declined due to onset of El Nino. With the weakening of El Niño since FY2017 normal spawning activity resumed and marginal improvement in IOS landings was recorded in FY2018.

CMFRI Study also notes that fisheries management is important for ensuring sustainable exploitation of various fishery resources and even more for Indian oil sardine, which not only is an important food fish but also forms a forage fish in the marine food chain and is also a key raw material for the fishmeal and fish oil industry. Overall fish landings have increased in the last decade due improvement in fishing gears and mechanization of boats. Further analysis by CMFRI on IOS landings indicate that as of 2018 the stock level of IOS is almost fully exploited and there is little scope to increase the landing significantly by further increasing the effort. Efforts have to be in place to ensure sustainable exploitation of the stock without impacting the natural replenishment cycle.

Unsustainable fishing practices

Many companies have mushroomed in the past decade seeing growth opportunity with rise in the aquaculture and exports markets. Due to envisioned growth in aquaculture and simple in-principle manufacturing process many coast-specific small players have entered the fishmeal industry. This has led to rise in demand for fish at certain coasts, where supply is already limited by nature. Due to increased competition, unsustainable fishing practices have become rampant, leading to overfishing and depletion of fish population. Prices of raw material have been volatile, adversely impacting players' revenue and margins, especially for the smaller coast-specific players.

Working capital management is key, especially for smaller players

In India, fishing is generally carried out by the unorganised segment and small fishermen. Procurement of fish has to be on a low credit basis with an immediate payment cycle. Also, fishing peaks during 3-4 months post monsoon season. Thus, procurement largely takes place for 3-4 months only. This raises inventory and the requirement of working capital. Moreover, in the fishmeal and fish oil industry, smaller local players have low bargaining power when it comes to large compound feed industry players, who are the chief customers. To retain customers they need to provide additional facilities such as high credit period apart from good quality product. Additionally smaller coast-specific players, on account of their scale of operation, have low bargaining power in terms of access to raw material (marine fish), as compared to large established players. All these conditions necessitate proper working capital management. As per industry interactions, due to the above mentioned factors many smaller coast-specific players have had to stall or scale down production. Though schemes such as Kisan Credit Card (KCC) have been brought by the government under union budget FY 2018-19, to meet the working capital requirements of farmers, its penetration remains a key monitorable.

Development of alternative feed sources, albeit in nascent stages

Fishmeal and fish oil production cannot sustain the growing aquaculture industry as the supply of fish for fish meal is limited, being a natural resource. Consequently, feed formulators are looking to reduce their reliance on fishmeal. Alternative feeds, which can substitute fishmeal as a protein source, are being developed. As per IFFO data, the share of marine ingredients in fish feed formula have declined moderately since 1990s to include more of plant source proteins. Developments in plant-based and insect-based products are currently in nascent stages, however their availability on a larger scale will remain a key monitorable.

Insect feed as meals consists of high amount of protein content and presence of essential amino acids and other lipids. These insect feeds are blended with respect to the targeted animal. Being a rich source of nutrients, this insect feed is used in various segments such as poultry, pet foods and aquaculture. Currently, insect feed is majorly used in pet food. Thus, the growth of insect feed depends upon the adaptability of insect feed in pet food segment and other animal feeds, where currently insect feed usage is limited

Government regulations impacting the industry

Important for the industry to comply with regulations on fishing activities

The Marine Fishing Regulation Act (MFRA) has been in place since the 1980s and all the maritime states have several management/regulation measures for marine fisheries. Relevant regulations on the zonation/demarcation of fishing areas for different categories of gear types, closed fishing season, restrictions on the use of destructive fishing gears, etc. are clearly indicated in the MFRA. Mesh size regulations are stipulated in this act and under state fisheries acts. Juvenile fishing was banned in August 2015 and the CMFRI recommended a minimum size of 10 cm of Indian oil sardines and 14 cm for Indian mackerel.

Apart from direct regulations on fishing, various environment laws are also applicable for fishing activities. Environment (Protection) Act (1986), being an umbrella act containing provisions for all environment related issues, includes the Water (Prevention and Control of Pollution) Act (1974) and the Wild Life Protection Act (1972) which is applicable to the fisheries industry.

Export regulations

The Marine Products Export Development Authority (MPEDA) necessities registration of exporters, fishing vessels and other processing entities under Section 9(2) (b) and (h) of the MPEDA Act, 1972 for exporters of marine products.

There are no direct and separate regulations pertaining to the fishmeal and fish oil industry, but the industry has to comply with standards and regulations required by export and domestic customers. For instance, Europe has its own set of regulations and standards for exports; Indian plants have to be approved by European agencies before exporting. In November 2018, India received clearance to export fishmeal and fish oil to Chinese market. Accordingly players need to have certification and accreditation from General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) in order to conduct any export trade with China.

Compliance with sustainable procurement practices to gain importance, going forward

Apart from approvals and certification by export regulating authorities, the players in the industry also need to comply with sustainable and responsible fishing activities. Due to growing importance on sustainable procurement of raw materials, many organisations, (both feed and fishmeal & fish oil producers) are keen on procuring goods only from suppliers who comply with certified sustainable supply practices. One such initiative is the IFFO Global Standard for Responsible Supply (IFFO RS), which is a business-to-business third party audited certification programme that assures stakeholder (including the animal feed, food and nutraceuticals value chains) responsibly source raw materials and manufacture fishmeal and fish oil products. With growing importance of sustainability, especially in the developed markets, Indian exporters may have to comply with such sustainable practice to cater to the developed markets. Industry interactions indicate that some players have already initiated the process to gain requisite compliance certification, in order to remain competitive in the global scenario.

Limited supply of raw material necessitates introduction of regulations on fishmeal and fish oil

Production of fishmeal and fish oil is highly dependent on the fish landing quantity and quality in a particular seasons. It is nature-dependent. To ensure an ecological balance, measures are being taken to ensure sustainable fishing and avoid over-fishing. Over-fishing may increase the output for one season but it may affect the availability of fish in the long run.

Measures such as a quota system for fishmeal and fish oil producers on the quantity of fish catch utilised for production in a particular season have helped keep a check on over-fishing. In Peru and Chile, quotas are provided according to the approved capacity of fishmeal and fish oil plants, which ensures sustainable fish catch and protects the industry from uncontrolled competition. Such quota system is currently not implemented in India.

In Kerala, minimum fishing size has been implemented since 2015 by agencies so that juvenile fish are not caught, and breeding is not disrupted by over-fishing. Only adult fish can be caught.

CMFRI and MPEDA recommend a precautionary approach to fishing along with adherence to regulations on avoiding

fishing of juveniles, using the stipulated mesh size in the nets and recommended engine horsepower of crafts that can lower fishing mortality rates. According to industry interactions, quota on catches per trawler, quota on capacity-wise procurement of fish and production of fishmeal and fish oil, sustainable practices for fishing activity, and prevention of indiscriminate dumping of toxic materials, industrial effluents and sewage should be taken up by India to promote and conserve fisheries and the related industries.

Overview of the global animal feed industry

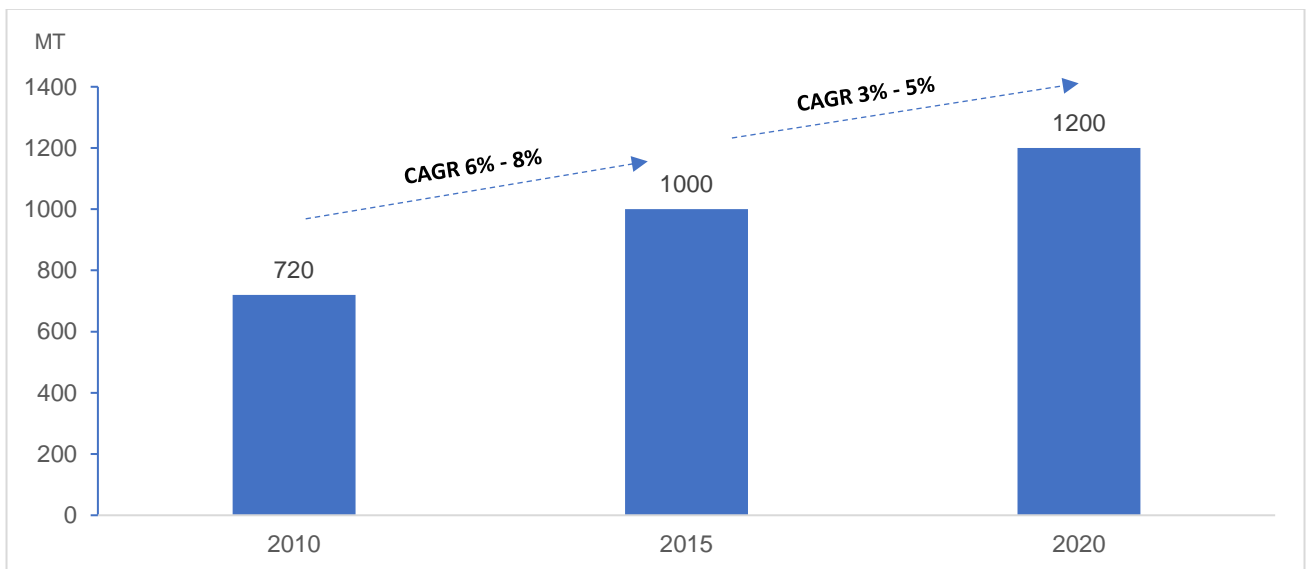
Global animal feed industry generated more than 400 USD billion revenues in CY 2020

The animal feed industry enables economic production of livestock animals throughout the world and thus plays a prominent role in the global food industry. The animal feed industry supports generation of animal food and protein products. According to the International Feed Industry Federation (IFIF), global commercial feed manufacturing industry or the compound animal feed industry has generated an estimated revenue in excess of \$400 billion in CY 2020.

Global animal feed industry produced ~1.2 billion tonnes of feed in CY 2020

As per IFIF, global compound animal feed production grew at 5-6% CAGR between CY 2010 and CY 2020, to 1.2 billion tonnes.

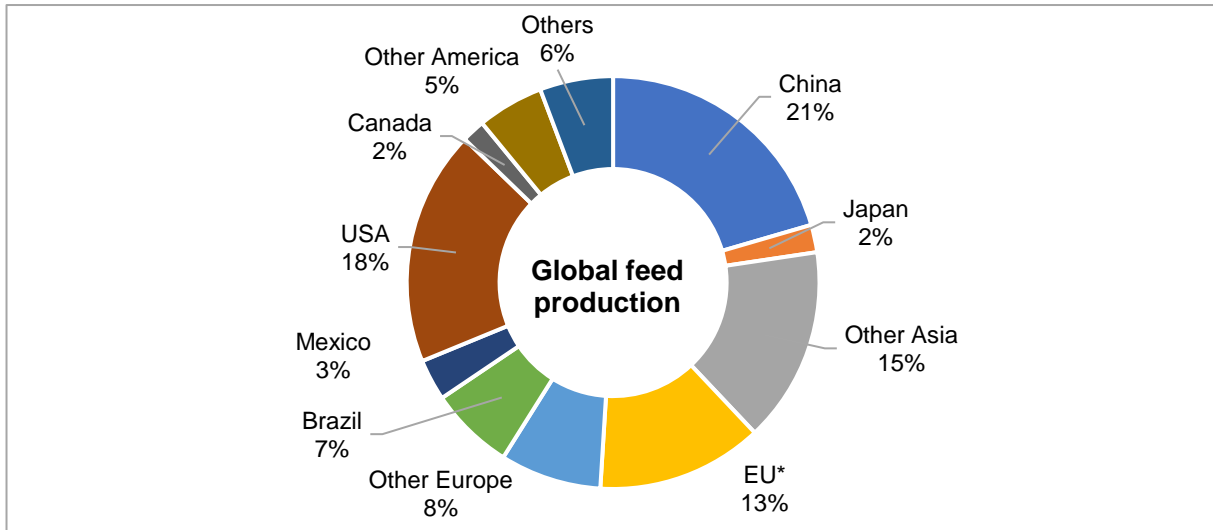
Industry size of global animal feed (volume terms)



Source: International Feed Industry Federation, CRISIL Research

In volume terms, China was the largest producer of animal feed (21% share) in CY 2020, followed by the US (18%) and the EU (13%). Other Asian countries, including Japan, together accounted for 17% share.

Global feed production (CY 2020)



Note: *: UK is not a part of EU

Source: International Feed Industry Federation, CRISIL Research

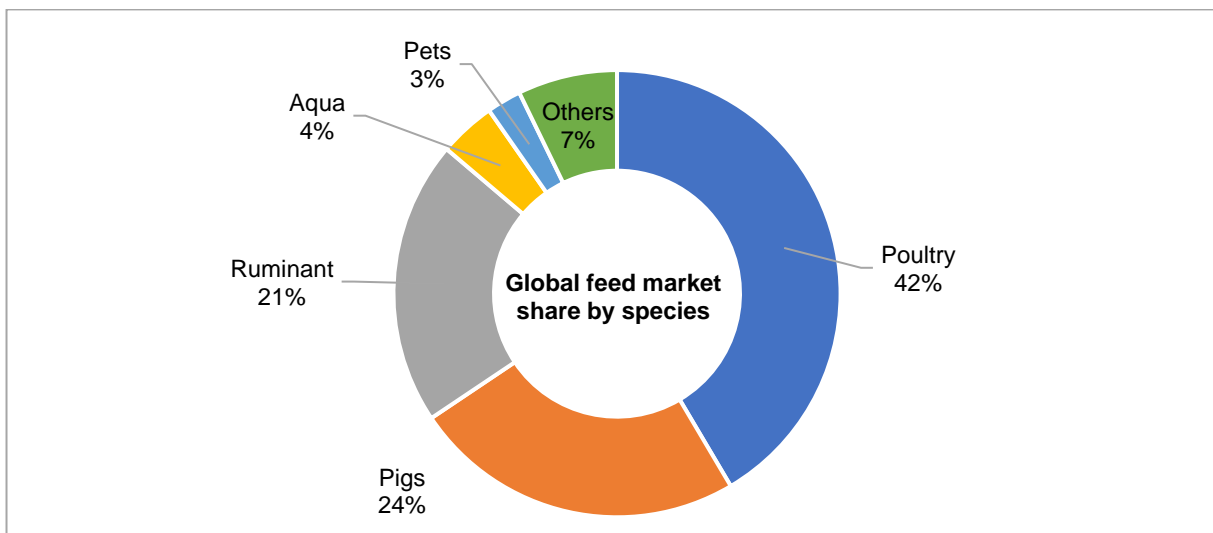
Growth in global animal feed driven by developing nations

IFIF has observed that growth of the animal feed industry is largely from developing countries, with production in developed countries relatively stable. IFIF expects the trend to continue, with growth coming from developing countries such as Brazil, China, India, and Latin American and Caribbean regions.

Growth of the animal feed industry will be fuelled by rising global demand for animal protein food. Over the past decade, there has been an increase in demand for animal protein, including livestock, dairy and fish, as more people are opting for animal nutrient diet. As seen from the chart, poultry and pig feed comprised the dominant shares in the feed industry as of CY 2020. However, by CY 2050, while poultry will still be the highest growth category on account of higher production volume, but aquaculture feed is expected to pick up and be the next fastest growth category as global demand for fish protein rises.

Poultry contributes to nearly half of global compound animal feed (as of CY 2020)

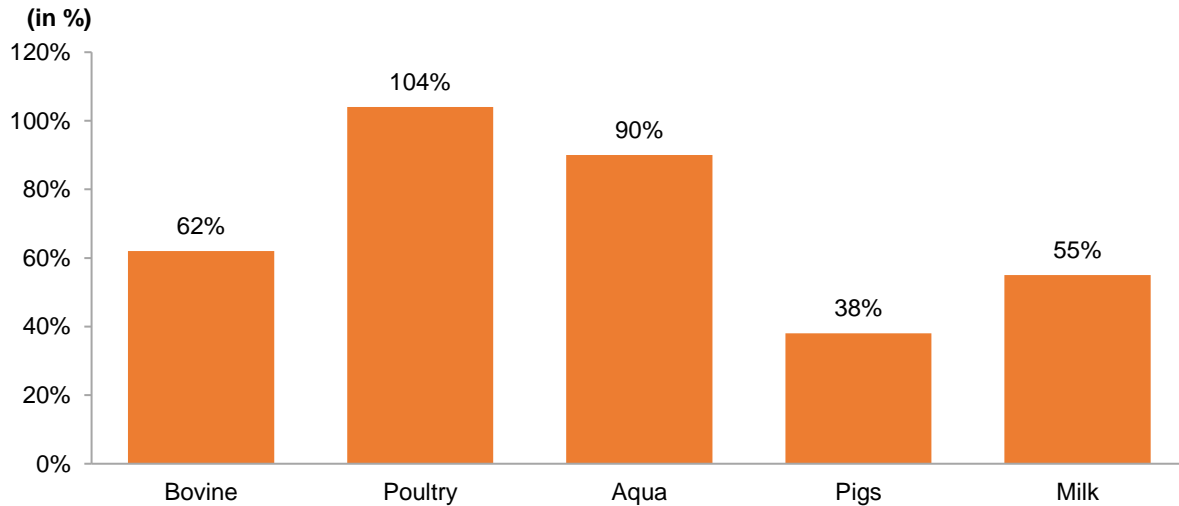
Source: IFIF estimates, CRISIL Research



Poultry and aquaculture to drive growth for animal feed

The United Nations Food and Agriculture Organization (FAO) estimates food demand to grow by 60% by CY 2050. Accordingly, between CY 2010 and CY 2050, the production of animal proteins is expected to grow by ~1.7% per annum, with meat production projected to rise by ~70%, aquaculture by 90% and dairy by 55%.

Projected absolute growth in animal protein source from 2010 to 2050



Source: FOA global food outlook, CRISIL Research

Demand from aquaculture farms to boost fish feed and allied industries

The anticipated growth of the aquaculture industry is expected to drive growth of the fish feed and allied industries, which can be seen from the growth rate in exports.

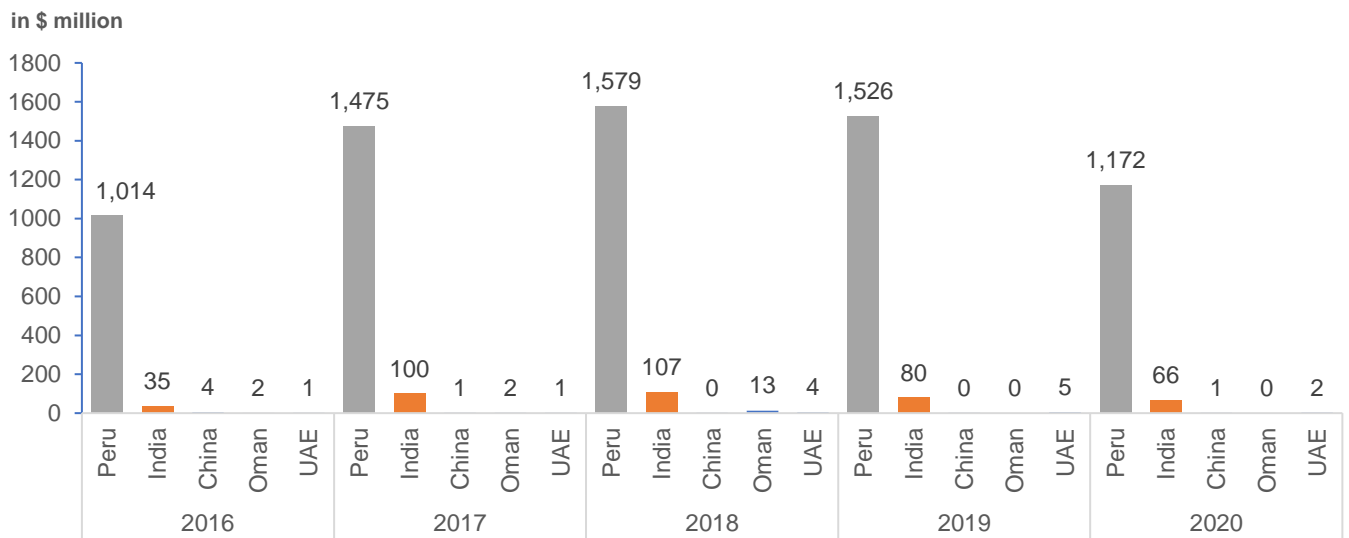
China, Chile, Denmark, Iceland, India, Japan, Norway, Peru, Thailand, the US and Vietnam are key producers of fishmeal and fish oil. China primarily utilises fishmeal for the domestic industry. In fact, China is a net importer of fishmeal, largely for its aquaculture farm and feed industries.

As per IFFO data, Peru is the leader in fishmeal and fish oil production, as it has the largest and superior quality oil fish along its coast. Due to low domestic consumption, the produced fishmeal and fish oil are sold in global markets.

In European Union, Norway and Denmark are the major producers of fishmeal and fish oil. Norway is the largest consumer of fishmeal and fish oil, among the global nations, due to its aquaculture production.

As per industry interactions, India is not a major exporter of fishmeal and fish oil when compared with the top 10 countries. On average, Indian fishmeal and fish oil grade contains lower protein as compared with the Peruvian grade, owing to limited availability of high quality oily fish along its shores. The country’s main export markets for fishmeal and fish oil are Australia, Bangladesh, Japan, Malaysia, Saudi Arabia, Taiwan, Thailand and Vietnam.

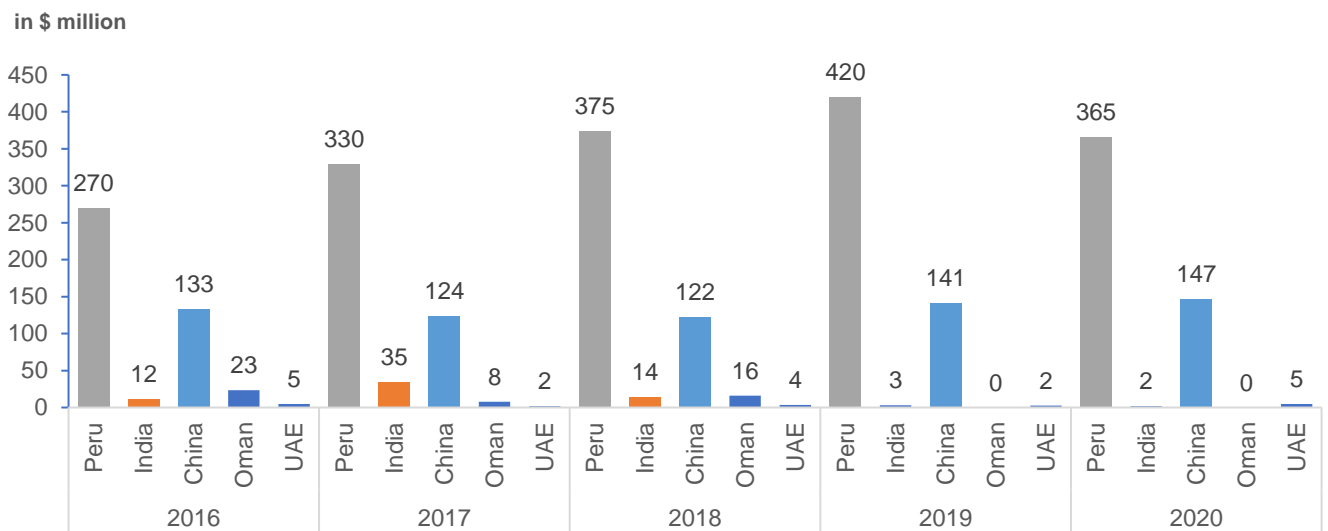
Export of fishmeal from select countries



Note: Six digit HS code from UN Comtrade is considered to arrive at the export figures; HS code used is 230120.

Source: UN Comtrade, CRISIL Research

Export of fish oil from select countries



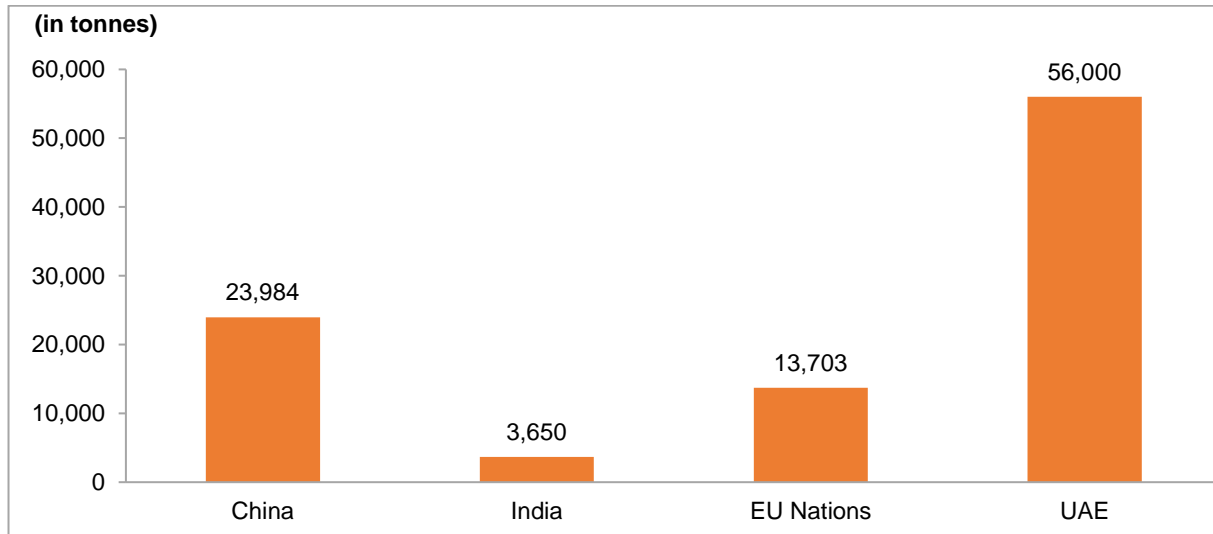
Note: Six digit HS code from UN Comtrade is considered to arrive at the export figures; HS code used is 150420.

Source: UN Comtrade, CRISIL Research

Production and consumption of poultry meat low in India vis-à-vis global

India produces very low volume of poultry meat as compared with another countries. India’s poultry meat production as per CY 2021 estimates is 3,650 tonnes as against 23,984 tonnes in China. In the EU, poultry meat production was 13,703 tonnes. The UAE had the largest production of poultry meat at ~56,000 tonnes in CY 2021.

Production of poultry meat in select countries (CY 2021E)

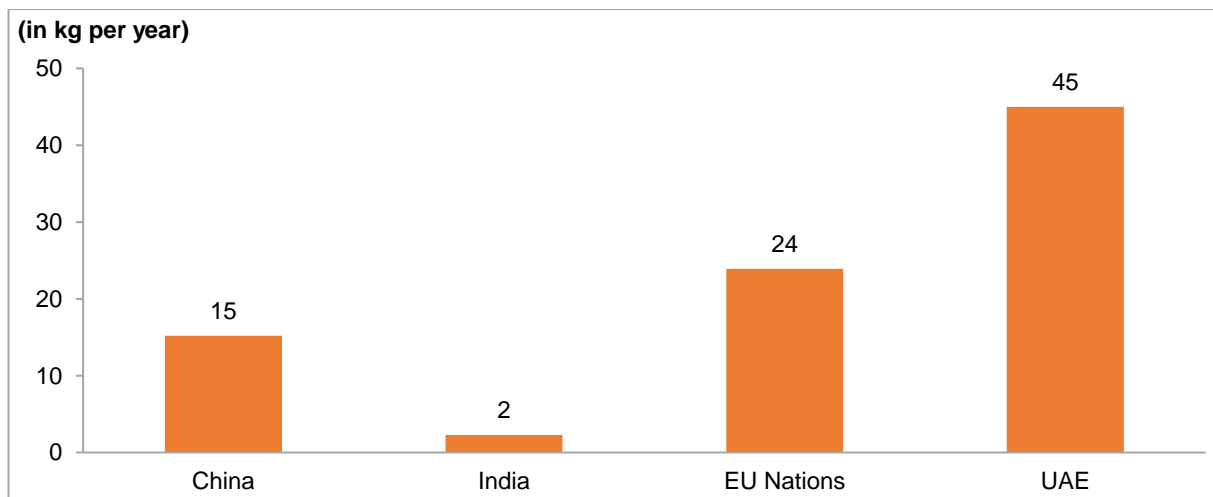


Source: FAO – OECD Agriculture outlook 2020 -2031, USDA for UAE figures, CRISIL Research

Also, the per capita consumption of poultry meat at ~2 kg per year per person in India as of CY 2021 estimates is lower among the selected countries; however, the vast difference between the present per capita consumption at ~4.2 kg of overall meat consumption and the National Institute of Nutrition recommended level at ~11 kg of meat offers an excellent opportunity for growth of the poultry industry.

The per capita consumption of poultry meat was the highest in UAE and EU as of CY 2021 estimated at 45 and 24 kg per capita respectively, followed by China at 15 kg.

Per capita consumption of poultry meat in select countries (CY 2021E)



Note: Poultry consumption for the UAE is inclusive of consumption by tourists (UAE has population of 9.9 Mn with tourist population of ~6-7 Mn in 2021. Pre-Covid tourist visits were 16.7 Mn in 2019)

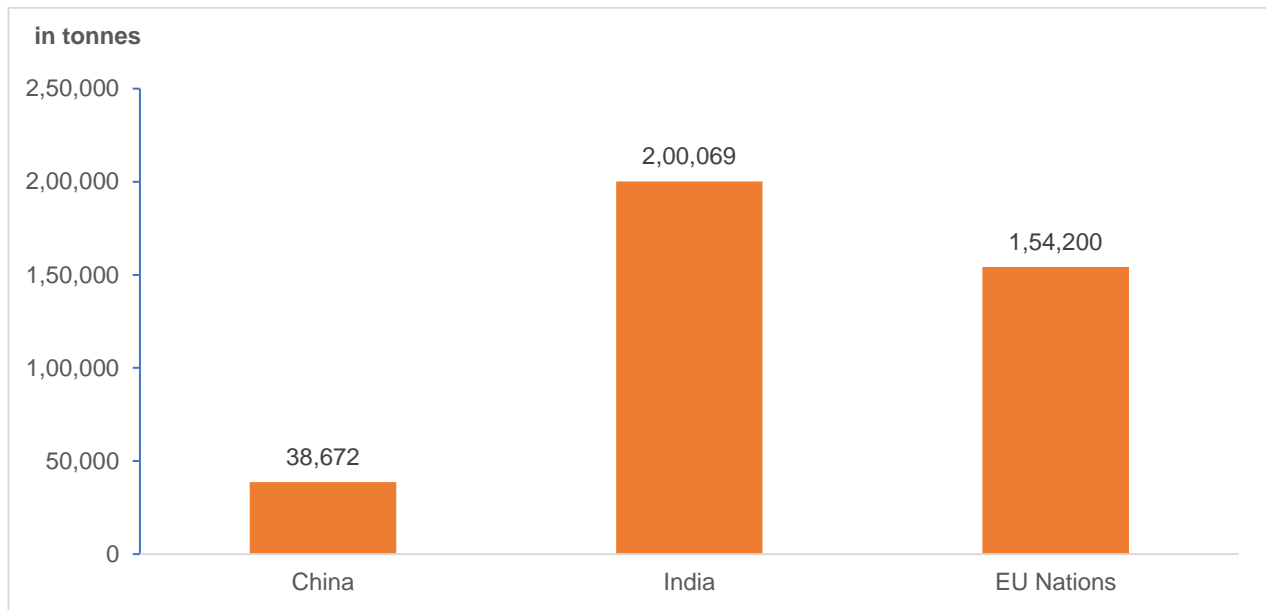
Source: FAO – OECD Agriculture outlook 2021 -2030, USDA for UAE figures, CRISIL Research

India is the largest producer of milk and dairy products among China, EU Nations and UAE

India leads when it comes to milk production and per capita consumption of fresh dairy products among China, EU Nations and UAE. India’s milk production is ~200,069 tonnes as per CY 2021 estimates, ahead of the EU, which is 154,200 tonnes.

China is not a major producer of milk, producing just ~38,672 tonnes of milk during the same period.

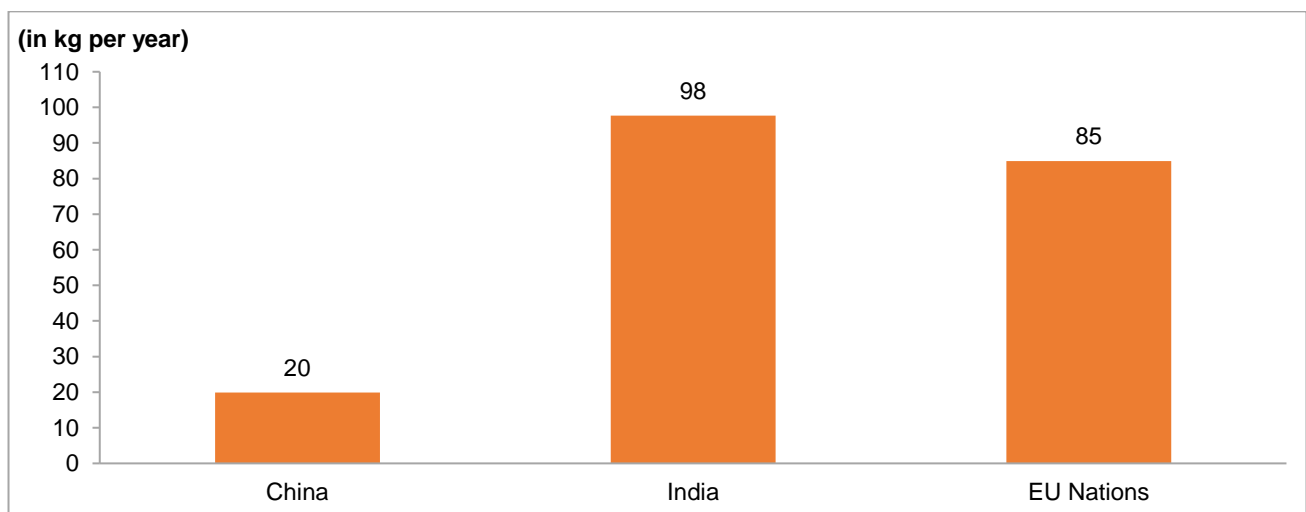
Production of milk in select countries (CY 2021E)



Source: FAO – OECD Agriculture outlook 2021 -2031, CRISIL Research

The per capita consumption of fresh dairy produce in India is highest among the compared nations at 98 kg per year followed by EU at 85 kg per year as per CY 2021 estimates. China has very low per capita milk consumption ~20 kg per year during the same period.

Per capita consumption of fresh dairy produce in select countries (CY 2021E)

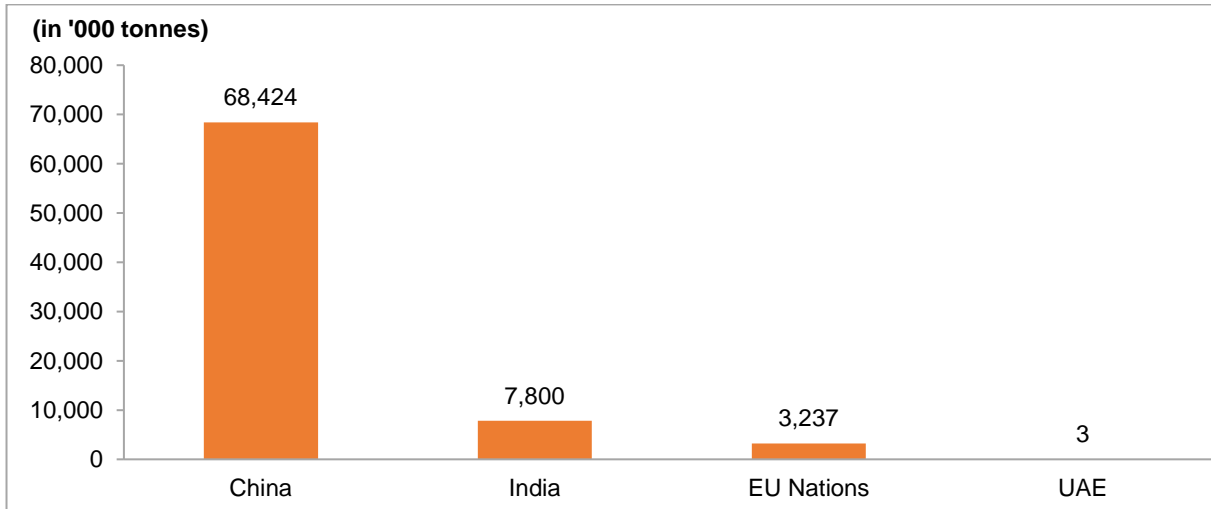


Source: FAO – OECD Agriculture outlook 2021-2030, CRISIL Research

China is the leading producer and as well as leading consumer of seafood (including aquaculture)

India produces more aquaculture meat than poultry meat. India’s aquaculture production (excludes wild catch) stood at 7,800 thousand tonnes in CY 2019 as per FAO data. However, this figure is dwarfed by China, where production was 68,424 thousand tonnes. Production in the EU was 3,237 thousand tonnes and for UAE it was 3 thousand tonnes in CY 2019. Aquaculture industry in UAE is witnessing growth as it is focusing to reduce dependency on imports for seafood.

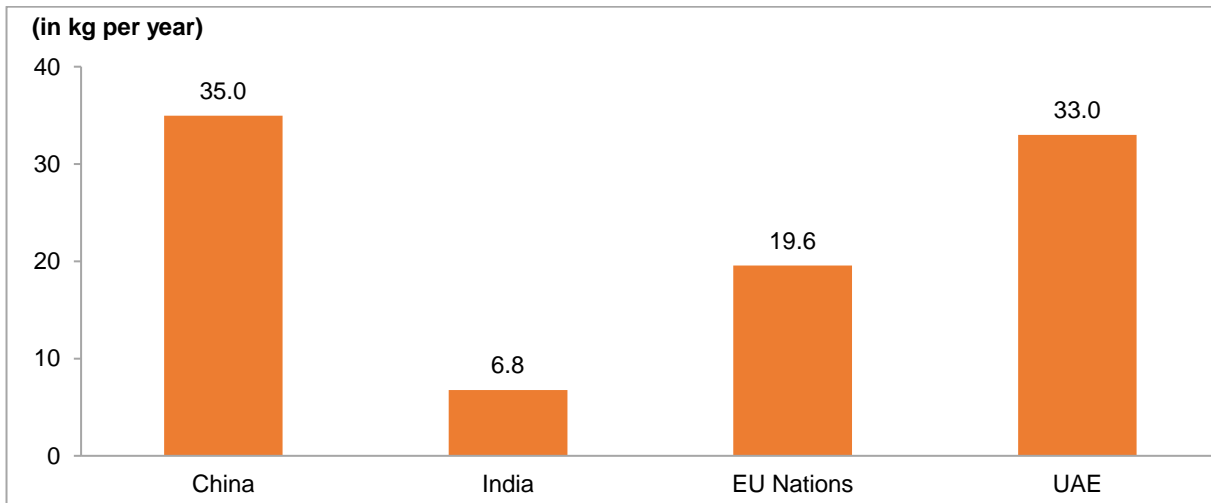
Production of aquaculture in select countries (CY 2019)



Note: latest data available is as of 2019

Source: FAO, CRISIL Research

Per capita consumption of seafood in select countries (CY 2021E)



Source: FAO – OECD Agriculture outlook 2018 -2027, CRISIL Research

China is the leading producer of aquaculture meat and a leading consumer as well, with per capita consumption of seafood at 35 kg per year as of CY 2020 estimates and 34% share in the global seafood consumption basket.

Despite higher aquaculture production vis-à-vis the EU, India lags the EU when it comes to per capita consumption of seafood. As per CY 2021 estimates, India’s per capita consumption of seafood was 6.8 kg per year as compared with the EU’s ~19.6 kg.

Also, while India’s seafood consumption is higher than poultry meat consumption, the country ranks much lower as compared with the world average of ~21 kg, indicating significant scope for growth. UAE has the highest per capita consumption of seafood, 33 kg in CY 2020, within the gulf countries. Most of UAE’s demand for seafood is met by imports.

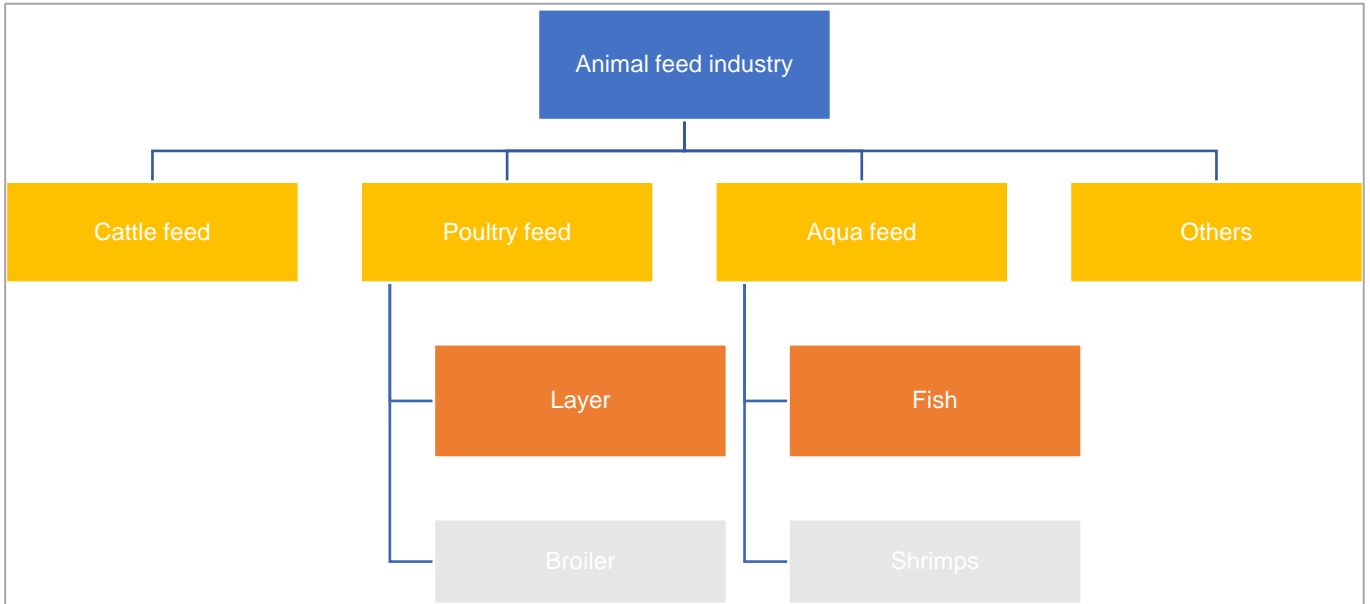
Global per capita seafood consumption has been rising steadily over the past decade. Increasing preference for seafood in developed countries owing to its health benefits is expected to increase the global per capita consumption of seafood to 18.6 kg per capita by CY 2030.

Overview on animal feed industry in India

Indian animal feed industry among fastest growth compound feed markets

India’s animal compound feed industry has recently emerged as one the fastest growing compound feed markets in the world. Increasing livestock population and growth in end-user industries have contributed to the growth.

Classification of animal feed industry



Note: Others include horses, pigs, cats, dogs, etc.

Source: CRISIL Research

CRISIL Research has estimated that the animal compound feed industry in India was Rs 1,235-1,255 billion in fiscal 2022. In volume terms, India is one of the largest producers of animal feed, with an annual production of 35.3-37.7 million metric tonnes.

By fiscal 2025, the industry is expected to record 3.5-4.0% CAGR and reach Rs 1,420-1,450 billion. Among the three segments, aqua feed is expected to grow the fastest at 9-10% CAGR, followed by poultry feed and cattle feed at 3.5-4.0% CAGR and 7-7.5% CAGR, respectively.

Size of India’s animal compound feed industry

Feed segment	Industry size by volume as of FY22E	Industry size by value as of FY22E	Industry size by volume as of FY25	Industry size by value as of FY25	Volume CAGR FY22-25P	Value CAGR FY22-25P
	(million MT)	(Rs billion)	(million MT)	(Rs billion)		
Poultry feed	23-25	910-920	26.5-28.5	1,015-1,025	4.5-5.0%	3.5-4.0%
Cattle feed	10.6-10.8	235-240	12.7-13.2	290-300	6.5-7.0%	7.0-7.5%
Aqua feed	1.7-1.9	90-95	2.1-2.3	115-125	7.0-7.5%	9.0-10.0%
Total	35.3-37.7	1,235-1,255	41.3-44.0	1,420-1,450	3.5-4.0%	3.5-4.0%

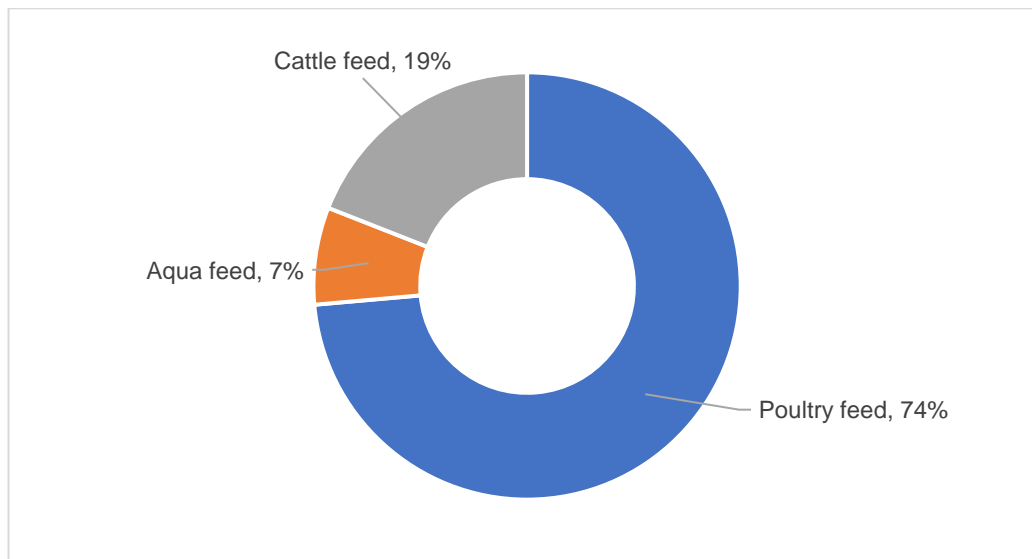
Note: CRISIL Research has considered only cattle, poultry and aqua feed segments while arriving at market size of Indian animal compound feed industry.

Source: CRISIL Research

The poultry feed industry constitutes nearly three-fourth of the overall feed industry, owing to high penetration of compound feed. In contrast, the share of cattle feed is just 19% despite India being the largest milk producer. This is largely because farmers rely on grazing as a means of feed, and the penetration of compound feed has remained low.

The aqua feed segment, which currently has a 7% share, is driven by increased usage of shrimp feed. And as shrimp cultivation is largely organised, it has had a cascading effect on the consumption of shrimp feed.

Segment-wise share of animal feed industry in India (value terms) as of fiscal 2022E

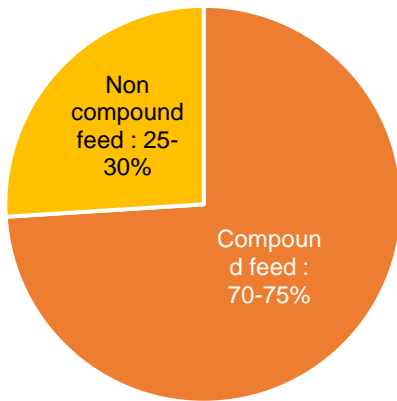


E: Estimates, Source: CRISIL Research

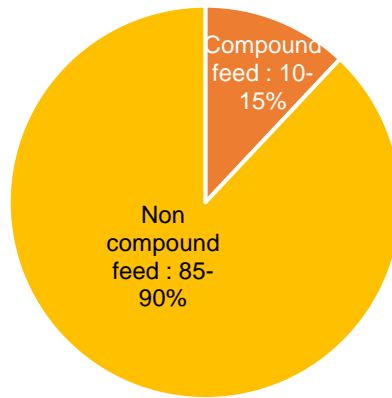
Poultry feed segment has a higher share of compound when compared to cattle feed. As mentioned earlier as farmers continue to rely on grazing as a means of feed, and the penetration of compound feed has remained low in cattle feed segment at 10-15% of the total cattle feed market. It is the unorganised industry that relies heavily on non-compound feed in cattle segment.

Share of compound feed in animal feed industry

Poultry feed segment



Cattle feed segment

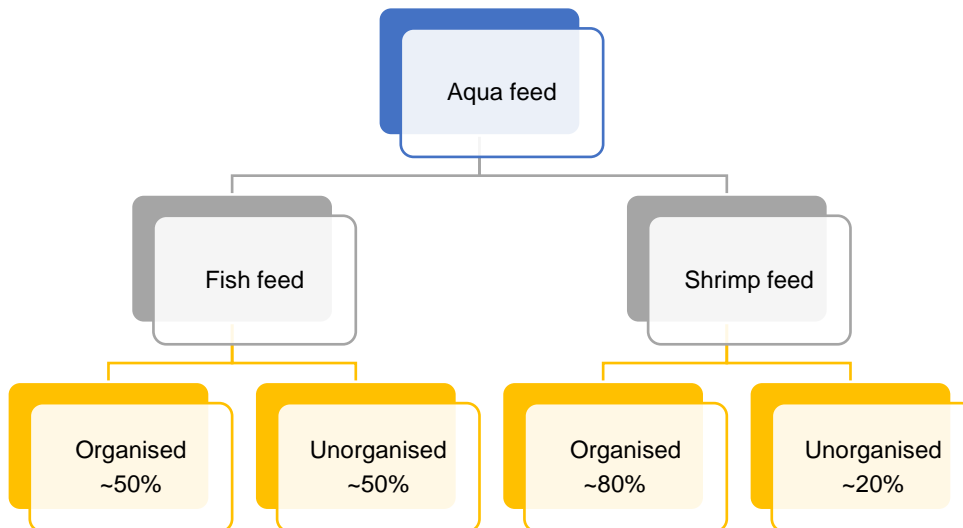


Source: CRISIL Research

Aqua feed industry in India

Aqua feed industry comprises shrimp and fish feed

The aqua feed industry can be classified into fish feed and shrimp feed. The shrimp feed segment is largely organized as the shrimp industry caters to the export market. Given that a large part of the shrimp exports market is catered to by aquaculture, the usage of shrimp feed has been higher. On the other hand, wild catch still comprises a significant share in case of fisheries, leading to a lower share of organized fish feed segment.



An important part of modern commercial aquaculture is compound feed that provides a balanced nutrition needed by farmed fish and shrimps. Feed is manufactured in the form of pellets because:

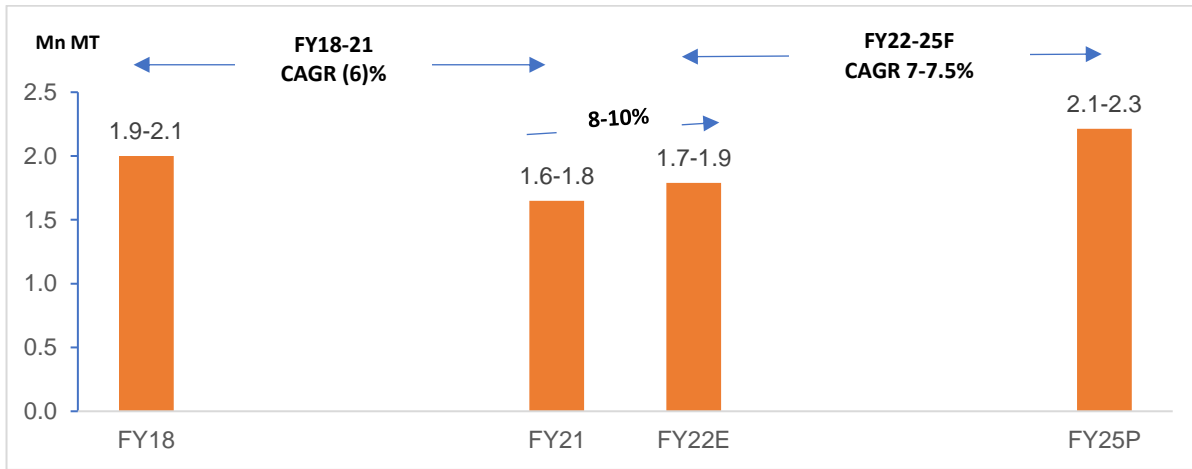
- There is less wastage of feed in pelleted form
- Pellets are nutritionally richer
- As pellets are cooked, it is easily digestible

From fiscal 2018 to 2021, CRISIL Research estimates the aqua feed industry de-grew at ~6% CAGR to 1.6-1.8 million tonnes. Over the period, value-wise, the industry size also de-grew from Rs. 90-95 billion to Rs 70-75 billion. This de-growth

can be majorly attributed to the covid-19 induced lockdowns coupled with supply chain disruptions leading to reduction in shrimp production during the fiscal 2021 in turn effecting the shrimp feed, thus slowing down the overall growth

However, going forward, the volumes are expected to grow at a CAGR of 7-7.5% from fiscal 2022 to 2025 reaching an overall volume of 2.1-2.3 million tonnes

Trend of organised aqua feed industry in India (volume terms)



E: Estimate, P: Projected

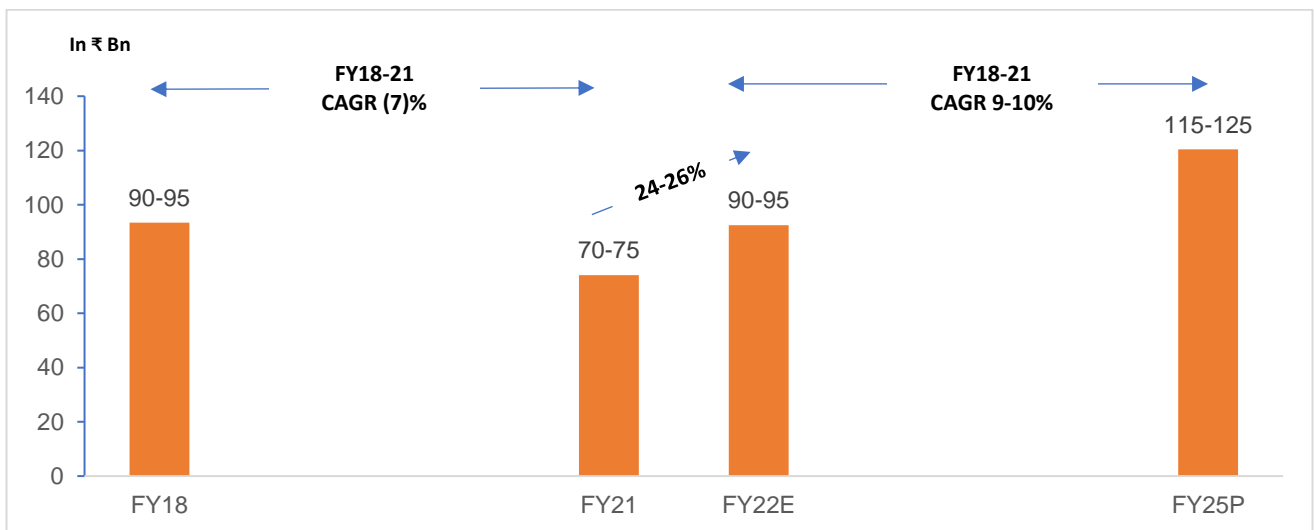
Source: CRISIL Research

Domestic aqua feed market to grow at CAGR 8-10% over fiscal 2022-25 in value terms

CRISIL Research projects aqua feed industry, in value terms, to grow at a CAGR of 9-10% from fiscal 2022 to 2025 reaching a value of Rs. 115-125 billion.

Growth of the aqua feed market will be driven by rising demand of shrimp feed, owing to increasing consumption of shrimps. A growing population, increasing per capita consumption of fish and shift towards organised feeds is expected to propel growth.

Trend of organised aqua feed industry in India (value terms)



E: Estimate, P: Projected

Source: CRISIL Research

Growth driver and challenges

Fish production on a steady growth trajectory

Growth of the aquaculture fisheries industry can be attributed to stagnation in capture fish, as a result of wasteful practices followed by fishermen. Overfishing, trawling in coastal areas, and low technological sophistication in fishing practices have substantially lowered yields from marine fishing. The shift towards aquaculture has been a major growth driver for the fish feed industry.

Increasing global demand for shrimp

Shrimps are among the most popular seafood in the Europe, Japan and the US. Strong demand from these markets has led to a significant increase in aquaculture activity in India. Over the past decade, from fiscal 2012 to 2021, Shrimp exports from India, recorded a 17% CAGR in value terms, and 13% CAGR in volume terms.

Government support for aquaculture

The Indian government has various schemes for export promotion of fisheries through the Marine Products Export Development Authority. These schemes can be classified into:

- Export production in capture fisheries
- Export production in culture fisheries
- Induction of new technology, modernisation of processing facilities and development of infrastructure
- Market promotion

Rising per capita seafood consumption

Global per capita seafood consumption has been rising steadily over the past decade. Increasing preference for seafood in developed countries owing to its health benefits along with sustained growth in demand is expected to translate into increase in per capita consumption of seafood to 18.68 kg per capita by CY 2030, from 17.94 kg per capita as per 2021 estimates.

Development of aquaculture farms

India offers a huge potential for aquaculture development. The country has an extensive river and canal system of ~195.210 km, comprising 14 major and 44 medium rivers, and numerous small rivers and streams. In addition, pond and tank resources are estimated at 2.36 million ha.

Because of limited nature of wild catch fish, there is an increase in demand for fish cultivation and aquaculture fisheries

Income growth

Rising income levels and health awareness (white meat is considered to be healthier than red meat) globally is likely to increase the preference for seafood over other lower-cost dietary protein sources (white and red meat).

Aquaculture diseases pose challenge to fish culturing

Diseases also pose a major risk to aquaculture, as diseases can wipe out a huge quantity of fish. Aquaculture breeding and maintenance of huge quantity of fish in small areas create a conducive environment for the development and spread of infectious diseases. Maintaining good environment, using hygienic and nutritious feedstock, and preventing deterioration of water will help prevent the breakout and spread of diseases.

Key government regulations impacting the aqua feed industry

Any government regulation affecting the seafood industry will have a direct impact on the aqua feed industry.

Strong institutional network helping growth of seafood industry in India

In order to provide support to the seafood industry, the government set up the National Fisheries Development Board (NFDB) in 2006 with its headquarters in Hyderabad. This was done with the aim of studying the potential of the seafood sector, processing and marketing of seafood, and application of modern research and development (R&D) tools to optimise seafood production and productivity.

The Coastal Aquaculture Authority, a statutory body established by the Coastal Aquaculture Authority Act, 2005, regulates coastal aquaculture activities to ensure sustainable development without damage to the coastal environment. It is empowered to create regulations for the construction and operation of aquaculture farms in coastal areas, inspection of farms to ascertain their environmental impact, registration of aquaculture farms, fixing of standards for inputs and effluents, and removal or demolition of polluting coastal aquaculture farms.

At the central level, several key laws and regulations govern the aquaculture industry:

- Indian Fisheries Act, 1897 – It includes provisions for penalties applicable to activities such as killing of fish by poisoning water and using explosives, and fishing in privately owned waters. Additionally, fish protection methods exist to regulate fishing devices (net, mesh sizes and traps).
- Environment (Protection) Act, 1986 – It is an umbrella Act containing provisions for all environment related issues.
- Water (Prevention and Control of Pollution) Act, 1974, and Wildlife Protection Act, 1972 – Both include provisions applicable to aquaculture.

In December 1996, the Supreme Court of India issued an order prohibiting the construction/set up of shrimp culture ponds within coastal regulation zones and within 1,000 m of Chilka Lake and Pulicat Lake, with the exception of traditional and improved traditional types of ponds.

It also ruled that an authority should be constituted to protect ecologically fragile coastal areas, seashore, waterfront and other coastal areas, especially to deal with the situation created by the shrimp culture industry in coastal states/union territories. Consequently, the Aquaculture Authority was established in accordance with the Environment (Protection) Act, under the Ministry of Agriculture. It issues guidelines related to various environmental issues, including effluent discharge, sustainable development, and loss of biodiversity.

Apart from these national schemes, there exist various state-level schemes.

Increase in import duty on fish and prawn feed to 15%

Feeds form one of the major parts of shrimp farming as they contain the proteins required for the growth of shrimp. In order to further push the aquaculture industry in the country, Government of India has increased the import or customs duty on the prawn feed and fish feed in pellet form from 5% to 15%. In fiscal 2021, as per MPEDA, India has exported 5,90,275 tonnes of shrimp with an value of Rs.325.2 billion.

Government Initiatives – effort to support fisheries and aquaculture industry

In order to support the fisheries and aquaculture sector in India, Government has brought in various schemes such as PMMSY, FIDF and Kisan Credit Card. These schemes cumulatively aim at increasing fish production and the aquaculture exports from India, decrease the post-harvest losses. The PMMSY aims to achieve an annual production of 22 million metric tonnes by 2025 and increase the per capita consumption to 12 kg.

Furthermore, in the union budget of 2021, announcement for the development of 5 fishing harbors in the regions of Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat was made. Under this, Rs. 60 billion will be spent in order to develop the infrastructure facilities at these ports. As per PIB, Preparation of DPRs and Impact Assessment Study wherever required will be completed by 30th Sept, 2021 followed by sanction of the Projects by 31st December, 2021.

Poultry feed industry in India

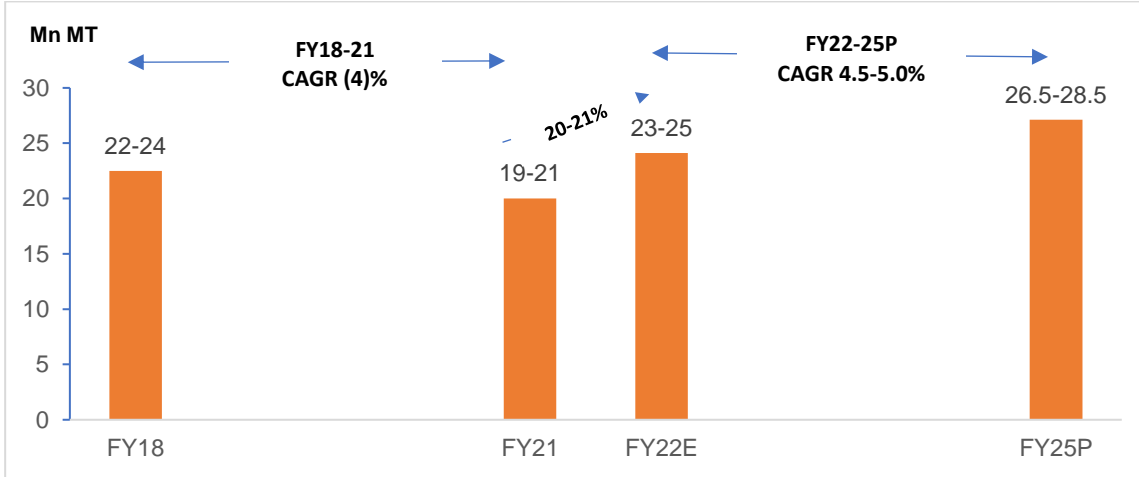
Indian poultry feed market estimated at around Rs 510 billion in fiscal 2018

The poultry feed industry declined at ~4% CAGR, in volume terms, during fiscals 2018 to 2021. However, due to increase

in feed price, the industry has grown, in value terms, at a CAGR of ~0.3% during the aforementioned period. Going forward, the poultry feed sector is expected to clock 3.5-4.0% CAGR in the over fiscals 2022 to 2025 to reach Rs 1,015-1,025 billion by fiscal 2025 aided by volume growth of 4.5-5.0% growth during the same period.

Overall outlook for the poultry feed industry is positive due to increase in demand for poultry products, driven by factors such as rise in income levels and shift in food styles.

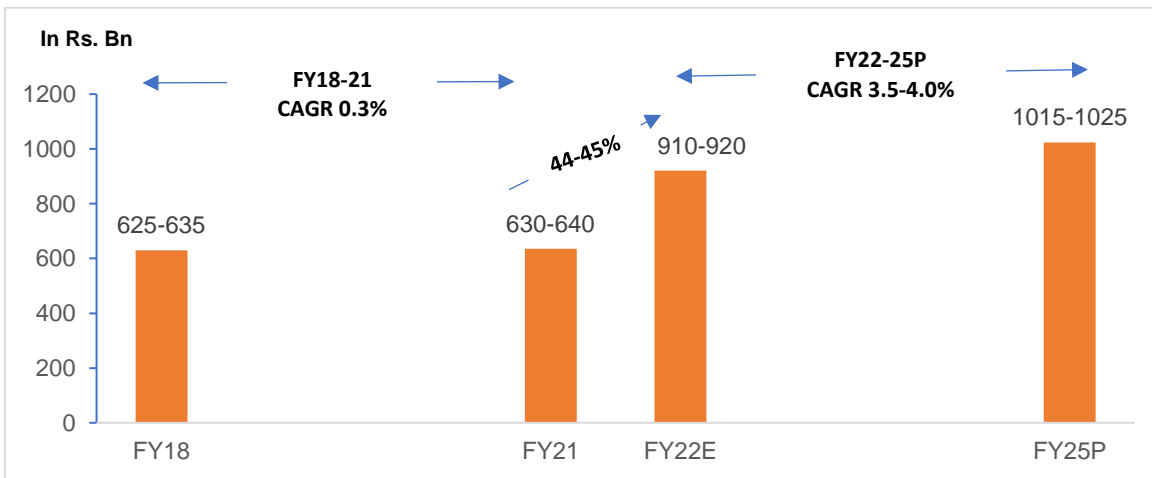
Trend of poultry feed industry in India (volume terms)



Note: E: Estimate, P: Projected

Source: CRISIL Research

Trend of poultry feed requirement (value)



Note: E: Estimate, P: Projected

Source: CRISIL Research

Key growth drivers

The Indian poultry feed industry, which is dependent on the sound growth of poultry, has grown considerably over the years, with South India holding the maximum share of poultry production and consumption.

Some of the key driving factors for poultry feed industry are:

Growth in poultry sector: The Indian poultry market is dominated by fresh poultry meat and eggs. Poultry consumption in India is on the rise, with higher incomes and greater international food exposure.

Rising disposable income has been a major demand driver for the industry, both domestically as well as internationally. Growth in per capita income and urban population in India has been accompanied by a shift from vegetarian to non-vegetarian

diet. Eggs are now accepted as a source of protein in an increasing number of vegetarian homes. Chicken meat is one of the major sources of protein and is considered to be healthier than other varieties of meat. Additionally, there is growing acceptance and demand for processed chicken products.

Also the per capita consumption of chicken is expected to rise with the growing number of quick service restaurants such as KFC, McDonalds and Subway in the country.

Benefits over non-compound feed: Balanced animal nutrition helps livestock farmers keep their animals healthy and get the best out of them in terms of animal product quality and safety. Good quality animal feed can improve productivity significantly. In case of broiler, use of high-protein feed has resulted in increasing weight to 2-2.5 kg, in comparison with 1.5-2 kg earlier using compound feed.

Technological shift in nutritional requirement: Increasing industrial livestock production and technological innovation in the meat processing industry are creating a demand for high-quality meat, thereby driving the market for poultry feed.

Disease management though high nutrient diet: The spread of antimicrobial resistance is one of the greatest challenges to human health in modern history. Through improved animal nutrition strategies that maintain animal gut health and foster resistance to diseases, the feed industry can play a crucial role in prevention strategies of livestock farmers who seek to reduce the need for medication at the farm level.

Key risk factors

Price volatility of raw materials: Feed cost comprises the largest share of input cost in the poultry industry, having averaged 75-80% of total raw material cost over the past few years. The two major components of poultry feed are maize and soya. The industry uses varying proportions (40-80%) of maize in feed. Soya forms 20-30% share, while the remaining 10-30% is made up of de-oiled cakes, fishmeal, bran, nutrient mixes, etc. Any rise in prices of key feed ingredients impacts the use of other secondary feed materials to control operating costs.

Both supply- and demand-side drivers have influenced price fluctuations in the past. On the supply side, weather-related events, including droughts, have affected agricultural production in India, while on the demand side, our growing population has increased the demand for grains, both as a commodity for direct human consumption and as feed input in the production of animal protein.

Occupational shift: The shift from individual farming to contract farming is a major threat for specialist feed producers as the integrators generally have captive R&D and feed manufacturing units. Growing acceptance and therefore demand for processed chicken, and cost benefits of vertical integration and large-scale operations have expanded the market share of integrated players.

Poor disease management: As per a WHO report, there have been 29 instances of bird flu reported in India between 2006 and 2012. Since 2006, India has culled more than 6 million birds due to bird flu. Avian flu alert was reported in Karnataka in May 2016, in which 23,000 birds perished, and the authorities ordered culling of about 1.50 lakh birds on farms, in order to prevent spread of the infection to other areas. Recurring bird flu cases are on account of poor disease management. This sporadic bird flu outbreak is expected to impact demand.

In 2007, India banned poultry and poultry product imports from the USA in order to prevent the spread of low pathogenic avian influenza. However, in June 2015, the World Trade Organization's (WTO) Dispute Settlement Body ruled in favour of the US, forcing India to allow imports of chicken legs from January 2017. Poultry organisations would examine other science-based reasons, including genetically modified feed and effects of long-term poultry cold storage, to see if other restrictions could be imposed.

Key government regulations impacting the animal feed industry in India

Government regulations impacting the poultry sector have a direct impact on the poultry feed industry as well.

Key government policies related to poultry industry

Scheme/parameter	Details
Before 1991	
All India Poultry development Programme	Increasing availability of chicks and supply inputs and making cold storage facilities available
Recognition of poultry farming as an activity for poverty alleviation	Small and medium farmers were provided with credit facilities, subsidy and technical assistance to adopt poultry farming as a supplementary source of income
Poultry estates	Establishment of poultry estates in collaboration with government agencies such as National Cooperative Development Corporation (NCDC), National Bank for Agriculture and Rural Development (NABARD), state governments and NGOs

Scheme/parameter	Details
Funding research initiatives	Setting up various regional poultry farms, introducing Intensive Poultry Development Projects, setting up Central Training Institute for Poultry Production and Management
Self-sufficiency in DOCs	Imports of all poultry products were banned or restricted through tariff and quantitative restrictions. This led to genetic developments and self-sufficiency through VH Groups BV-300 for the layer market and Vencobb for the broiler one
Post 1991	
Raise in tariffs	Under the economic liberalisation policy, tariff rates on poultry products were raised from 15% to eventually 30% in FY05
Maize Development Mission	Intensifying R&D to increase yields, oil content, etc., to cope with increasing demand
Assistance to state poultry farms	100% assistance in northeastern states, and 80% in other states. The limit of assistance provided is 85 lakhs for each farm
Rural Backyard Poultry Development Programme	To enable the below poverty line (BPL) Section of society to earn supplementary income and obtain nutritional support
Priority lending status for banks	The sector has this status since 1999
Technology upgradation	40% subsidy in general areas and 50% subsidy in difficult areas for machinery in various segments, subject to a maximum of Rs 1 crore of total costs
Poultry venture capital fund	Provides financing for technology upgradation, establishment of feed godowns, feed mills, breeding farms, etc.
Food parks	Provides financial assistance up to 75% of project cost, subject to a ceiling of Rs 50 crore
Assistance to States for Control of Animal Diseases (ASCAD)	It is joint scheme by states and central government to control the economically important diseases occurring in poultry such as Ranikhet Disease, Infectious Bursal Disease, Fowl Pox etc., including control and containment of emergent and exotic diseases like Avian Influenza
National Livestock Mission	Under this scheme financial support is provided for implementation of Rural Backyard Poultry Development (RBPD) and Innovative Poultry Productivity Project (IPPP) in states and Union territories. These programs majorly focus to take care of shelter, feed, medicine, Equipments, Litter etc for the improvement of the living conditions for Poultry birds

Source: CRISIL Research

Regulatory body

In India, the Bureau of Indian Standards (BIS), a central government organisation, is responsible for the standardisation, marking and quality certification of goods. While the BIS has issued guidelines for feed standards, the industry also has its own guidelines, and there is currently no compulsion to use BIS standards. Similarly, while BIS and compound livestock feed manufacturers association of India (CLFMA) have issued standards for manufacture of poultry feed, there is no statutory compulsion of following the same.

Cattle feed industry in India

Cattle feed industry in India generates Rs 190-200 billion in revenue

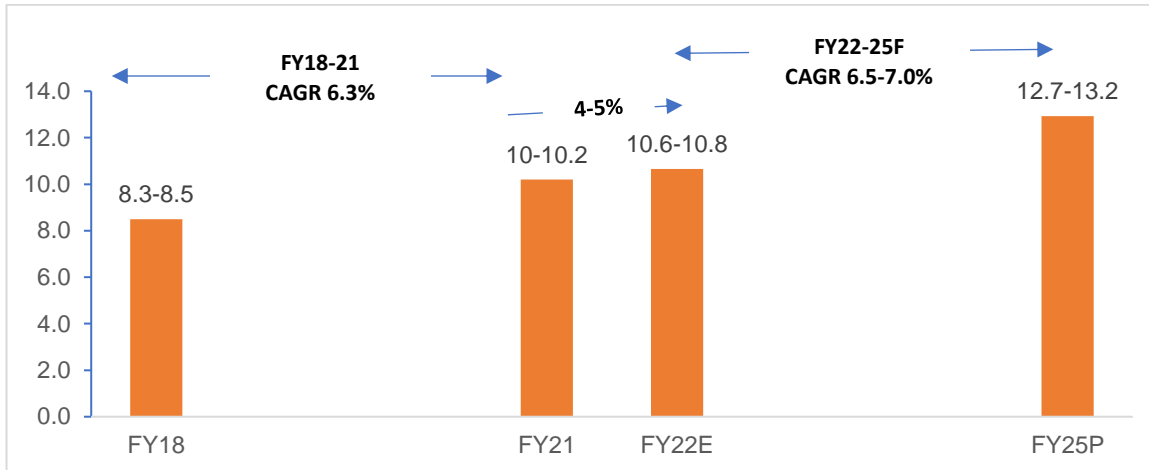
A large population of dairy animals is either grazed or stall-fed on dry roughage of uncertain quality. Availability of sufficient feed resources both in quantitative and qualitative terms is the key factor for growth and sustenance of the livestock sector in India. Cattle owners' are being educated regarding the significance of quality cattle feed by government organisations like National Dairy Development Board (NDDB) and also by some private players, and this has led to a gradual rise in demand for compound feed.

The market size of compound cattle feed manufactured by organised players is estimated at 10-10.2 million tonne in fiscal 2021. In volume terms, the market clocked 6-6.5% CAGR between fiscals 2018 and 2021. In value terms, it clocked 9.0-9.5% CAGR and was estimated to be Rs 195-200 billion. Growth was basically driven by the demand for dairy products and

value-added dairy products.

Going ahead, CRISIL Research believes that cattle feed manufacturing by organised players shall increase at the same rate, in both value as well as volume terms. CRISIL Research expects feed manufacturing volume to reach 12.7-13.2 million tonne by fiscal 2025, at 6.5-7% CAGR. During the period, feed manufacturing in value terms shall grow to Rs 290-300 billion at 7-7.5% CAGR. Growth can basically be attributed to factors such as increasing awareness among farmers to use compound feed, increasing consumption of milk and milk products due to increased income levels, changing lifestyles and increasing health awareness.

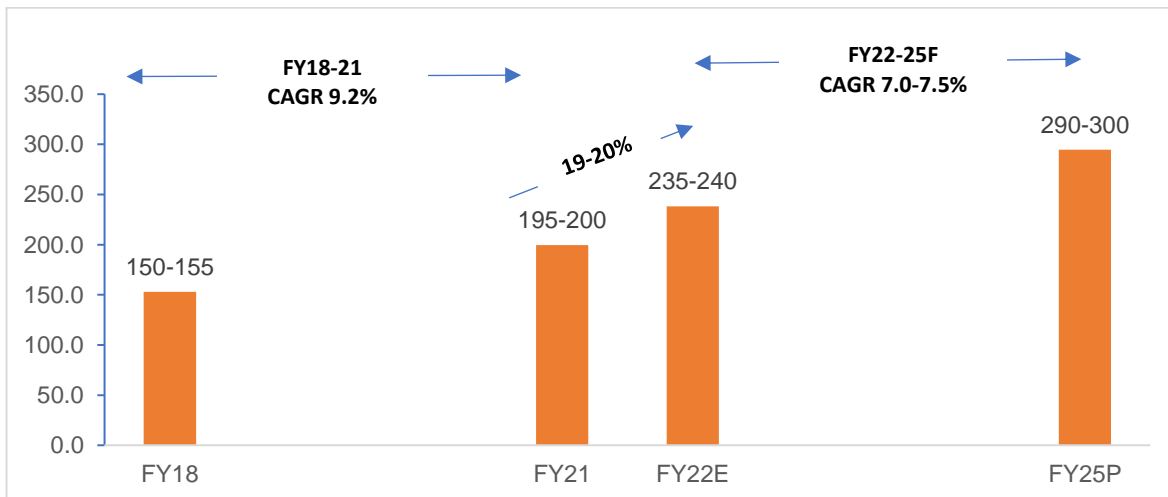
Trend of cattle feed industry in India (volume terms)



Note: E: Estimated; P: Projected

Source: CRISIL Research

Trend of cattle feed industry in India (value terms)



Note: E: Estimated; P: Projected

Source: CRISIL Research

Key growth drivers for the cattle feed industry in India

Increasing milk production and rising per capita consumption of milk

Domestic milk production logged ~6% CAGR to reach 187.7 million tonne in fiscal 2019 from 132.4 million tonne in fiscal 2013. The domestic dairy industry consists a mix of cooperatives and private players. Small and marginal farmers have benefited from government initiatives such as the National Dairy Plans 1 & 2 and Operation Flood in the past. Attractive prices offered by cooperatives encouraged dairy farmers to shift from indigenous cows towards high-yielding cross-bred varieties, contributing to a rise in milk supply and farmer incomes. Setting up support infrastructure such as cattle feed plants by cooperatives, training programmes, and government initiatives led to further increase in milk production. Per capita

consumption of milk rose at ~5% CAGR between fiscals 2013 and 2019.

Key factors driving milk consumption growth in India are:

Favourable demographic trends: Rising trends in urbanisation, migration across the country, number of working women, disposable incomes, etc., have led to an increase in consumer demand and access to packaged dairy products.

Increasing demand for fast food: Value-added products (VAPs) such as cheese and paneer, which find usage in pizzas, pastas, burgers etc., have been witnessing growing demand.

Changing lifestyle and increasing health awareness: Preference for low-fat, high-protein diet among youth is driving demand for low-fat milk, yoghurt/cheese, and protein-based health drinks.

Shift towards branded products: Most players are focusing on strong brand recall and marketing activities with focus on VAPs.

Rise in number of retail players: Retail players such as BigBasket, Reliance Fresh and Amazon, offering a range of dairy products online and modern retail format growth have catalysed the growth of VAPs.

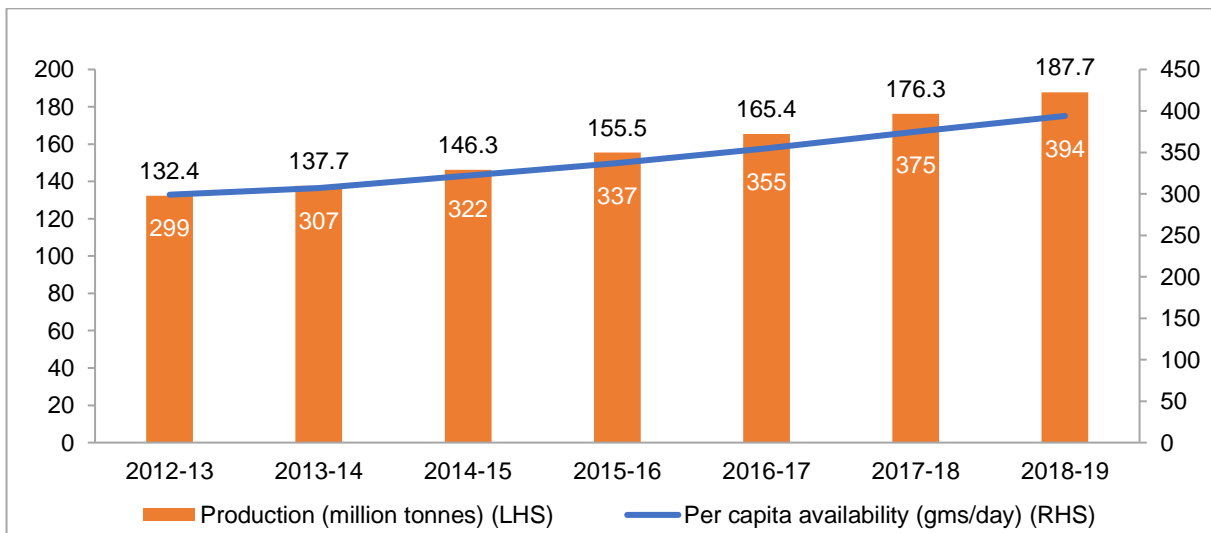
Rising share of high-margin milk products: With high-margin milk products accounting for nearly 40% of the total milk procured in India, greater value-addition by companies - driven by the rise in urbanisation and change in consumer lives - would drive up player-wise growth rates.

Government incentives via priority lending status and National Dairy Plan: Priority lending status to the dairy industry and improving supply through the National Dairy Plan are incentives provided by the government will attract investments from more companies, thus enabling the sector to grow at a strong pace.

Innovation, better quality across price points: Companies are increasingly innovating and manufacturing products across all price points to cater to consumers with varying tastes and preferences. This, coupled with enhanced packaging, longer shelf life and better quality of products, will drive further penetration of processed milk products, and thereby support long-term growth.

Improvement in supply chain infrastructure: With cold storage facilities, transportation, and other critical supply chain infrastructure improving across India, companies will be able to manufacture and sell more products over the medium term. This would help increase penetration of processed milk products in towns and villages, thus driving growth of the dairy and milk products industry over the next 3-4 years.

Domestic milk production, consumption and per capita consumption trend



Note: Latest data available is as of 2018-19

Source: NDDB, CRISIL Research

Government initiatives for the dairy sector include:

- Priority sector lending status for the dairy sector since 1999
- 100% foreign direct investment permitted in the sector

- **National Programme for Dairy Development (NPDD):** This program envisages the creation or strengthening of infrastructure required for quality milk production as well as procurement, Processing and Marketing of Milk & Milk Products
- **Rashtriya Gokul Mission:** This mission mainly focuses on development and conservation of indigenous bovine breeds as well as upgradation of bovine population. It envisages to improve farmers revenue by enhancing milk production and productivity of bovines
- **National Animal Disease Control Programme (NADCP):** This program is created to control of Foot and Mouth Disease and Brucellosis among dairy animals
- **Animal Disease Control Programme:** It is aimed at controlling economically important livestock diseases and focuses on establishing mobile veterinary clinics to deliver veterinary services at farmer's doorstep.
- **Dairy Processing Infrastructure Development Fund (DIDF):** This fund was announced under Union Budget 2017-18 to strengthen the milk processing, value addition and chilling facilities in dairy industry by fiscal 2023 with an outlay of Rs. 111.8 billion. Under this fund, loans are provided by National Bank for Agriculture and Rural Development (NABARD)/ National Dairy Development Board (NDDB)/ National Cooperative Development Corporation (NCDC) to Dairy Co-operative, Multi State Dairy Cooperative, Milk Producer Companies (MPC) among others with interest subvention at 2.5%
- **Animal Husbandry and Infrastructure Development Fund (AHIDF):** Launched in 2020 with a capital outlay of Rs. 150 billion this fund offers capital required for entrepreneurs, private companies, MSMEs, Farmer producer organisations (FPO) to start or expand existing units under dairy and meat processing and animal feed plants.

Depletion of pastures stimulates the compound cattle feed industry

Rapid depletion of green pastures across India, as a fallout of urbanisation and frequent droughts owing to inadequate monsoons, coupled with the booming dairy industry, has boosted demand for the cattle feed industry. The falling area under grazing stimulates the compound cattle feed industry directly, as depletion of green pastures forces dairy farmers to use compounded cattle feed.

Increasing awareness of advantages of compound cattle feed

Private players and NDDB are continuously training and educating farmers on the importance of using compound feed for cattle. According to NDDB, compound cattle feed is palatable and good source of nutrients for growing, milk producing and pregnant animals. Through regular use of compound cattle feed in prescribed quantity along with basal diet, cost of milk production from dairy animals can be optimised, and net profitability for farmers can be increased. Private players engage teams, which travel across villages and understand the issues faced by dairy farmers. They organise training sessions for farmers to improve their understanding of cattle health, feed, etc. All this has led to greater awareness and a gradual shift from traditional to compound feed among farmers.

Procurement and stocking of raw materials

Major soya producing states are Maharashtra, Madhya Pradesh, Rajasthan, Andhra Pradesh, Karnataka, Chhattisgarh, and Gujarat. Maize is mainly produced in Karnataka, Andhra Pradesh, Tamil Nadu, Rajasthan, Maharashtra, Bihar, Uttar Pradesh, Madhya Pradesh, and Gujarat. Sugarcane is cultivated mainly in Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Uttar Pradesh, and Tamil Nadu. Molasses, a by-product of sugarcane, is used as a raw material for compound cattle feed.

The availability of raw materials used for cattle feed can be seasonal. Taking this into consideration, cattle feed producers stock raw materials well in advance from the nearest point of their plant site. Most raw materials such as rice bran, wheat bran, and soya, have a shelf life of 4-6 months.

Challenges for the compound cattle feed industry

Disease outbreak

As cattle feed industry is directly related to the cattle segment, any type of disease outbreak among cattle would reduce the consumption of feed. Major cattle disease include rabies, clostridial disease or blackleg, bovine respiratory disease complex, etc.

Inability to pass on increase in manufacturing expenses

Manufacturers find it difficult to pass on the burden of any upward movement in prices of raw materials used for compound cattle feed, as there is stiff competition from cooperative dairy societies. Farmers may also opt not to buy compound feed for some time if the price is high.

Prices of maize and soya tend to rise during crop failure, and owing to delayed and deficient monsoon. Hence, players generally stock raw materials whenever prices are down. In this way, players try to mitigate the risk of price volatility. However, in case of sudden rises in prices, players cannot pass on the increase onto dairy farmers

Raw materials, being the major component of cost, play a crucial role in determining profitability. Thus, fluctuation in prices would affect operating margin of feed manufacturers.

Beef ban

The Prevention of Cruelty to Animals (Regulation of Livestock Market) Rules, notified in May 2017, require that cattle traders pledge that any cows or buffalos sold are not intended for slaughter. Traditionally, cattle fairs and markets allowed the sale of animals headed to abattoirs to provide raw materials used in dozens of industries, including leather making, soap and fertilisers. Cattle earlier were raised for the sole purpose of slaughtering and exports. Banning beef may therefore lead to less or no consumption of cattle feed, which may affect the animal feed industry.

Subsidised cattle feed provided by dairy cooperative societies

Private players, especially small players, find it difficult to compete with dairy cooperative societies, which provide subsidised compound feed to dairy farmers. This poses a great challenge for small players, who find it difficult to sustain.

Unwillingness of farmers to use compounded feed

The cattle population is fragmented and spread over large parts of the country. Although attempts are being made to spread awareness, low levels of education among farmers and strong traditional beliefs mean use of compound cattle feed still remains low. Also, industrially manufactured compound cattle feed has proved its value for cross-bred cows and buffaloes, but not for low-yielding cattle because of their genetic limitations.

Prevalent traditional cattle feed manufacturing processes

Traditionally, when it comes to cattle feed, farmers have been choosing their own ingredients and preparing their own formulations. Apart from being cost effective, such customised feed also leads farmers to believe that it provides better nutrition to their animals. Productivity of indigenous cattle is often limited because of their poor genetic make-up. Therefore, usage of high-quality compound feed (industry feed) does not generate a significant improvement in productivity. This hampers the growth of the cattle feed industry, as most farmers are reluctant to use compound feed fully. Instead, they compromise by using such feed in proportions of 50-60%, making up the balance with their own formulations.

Role of R&D

Compound feed is given to cattle to increase milk production. Hence, continuous R&D is required to increase the nutritive value of the end product, and reduce the total cost involved in the manufacturing process. However, typically, only big players invest in R&D.

Competitive assessment of key players

Operating parameters

Brief Information about key players in the industry

Company name	Established in	Registered as company in	Production capacity (in Metric tonnes per day)	Plant locations	Corporate office
Mukka Proteins limited	2003	2010	167	Mangalore and Gujarat	Mangalore, Karnataka
Janatha Fish meal and oil products	1989	-	180	Mangalore	Udupi, Karnataka
TJ Marine Products Pvt. Ltd	2004	2014	240	MIDC Ratnagiri - Maharashtra	Udupi, Karnataka
Arbee Aquatic Proteins Pvt Ltd	1978	2005	82	Allepey, Kerala	Kottayam, Kerala
Akash Fishmeal and Fish oil Pvt. Ltd	-	2015	160	Vengurla, Maharashtra	Sindhudurg, Maharashtra
Omega Fishmeal and oil Pvt. Ltd	2011	2011	200	Ratnagiri Maharashtra	MIDC Ratnagiri & Mumbai, Maharashtra

Note:

- Table contents have been sorted based on operating revenue in descending order, beginning with the highest operating revenue among the set of players
- Other than above mentioned, plant locations of subsidiaries for Mukka Proteins Limited are located at Ullal, Gujarat and Oman
- Production capacities for all players, is sourced from Marine products export development authority (MPEDA) and reflects the export approved standalone capacities.
- Capacity mentioned above is the output capacity for the respective players
- The promoters of Janatha Fish meal and oil products are also involved in the business of TJ marine products pvt ltd
- The father of Mr. K Mohammed Haris has presence in fish meal and fish oil industry through “Haris Marine private limited” since 1975. “Haris Marine private limited” which a subsidiary of Mukka proteins limited, has revenue from operations of Rs. 530 million during fiscal 2021.

Source: MPEDA, CRISIL Research

Product offerings of key players

Company name	Fishmeal	Fish oil	Fish soluble	Refined / value added Fish oil	Other
Mukka Proteins limited	✓	✓	✓	✓	-
Janatha Fish meal and oil products	✓	✓	✓	✓	✓
TJ Marine Products Pvt. Ltd	✓	✓	✓	-	-
Arbee Aquatic Proteins Pvt Ltd	✓	✓	✓	✓	✓
Akash Fishmeal and Fish oil Pvt. Ltd	✓	✓	-	-	-
Omega Fishmeal and oil Pvt. Ltd	✓	✓	✓	-	✓

Note: Others include product offerings unrelated to fishmeal and fish oil processing

Table contents have been sorted based on operating revenue in descending order, beginning with the highest operating revenue among the set of players

Source: CRISIL Research

Exports for fish meal and fish oil

Financial year	FY17	FY18	FY19	FY20	FY21
Fish meal exports ('000 kgs)					
Mukka Proteins	21,320	21,460	28,412	37,536	34,320
Total India exports	54,356	69,875	90,296	67,180	70,089
Share in (%)	39%	31%	31%	56%	49%
Fish Oil exports ('000 kgs)					
Mukka Proteins	2,848	2,823	1,038	962	113
Total India exports	14,734	24,252	5,107	1,846	116
Share in (%)	19%	12%	20%	52%	98%

Source: Company interactions, DGCIS, CRISIL Research

Market share (FY21)

Company name	Total Operating Revenue (Rs. billion)	Market share (%)	Total Indian Fishmeal and fish oil industry (Rs. billion)
Mukka Proteins limited	5.4	30% - 35%	16 - 18

Note: Market share is based on standalone financials

Source: CRISIL Research

Capacity share for fish meal and fish oil

Overall capacity (MT per day)	Mukka Proteins Limited (MT per day)	Share (%)
4,102	150	3-4%

- Note: Overall capacity is as per MPERDA Newsletter, January 2020
- Capacity for mukka proteins limited is as of February 2021
- The above mentioned capacity for mukka proteins limited include fish meal and fish oil

Financial parameters

Key Financials for fiscal 2021

Company name	Standalone / Consolidated	Operating Revenue	CAGR (FY18-21)	Operating profit	Operating profit margin	Net profit	CAGR (FY18-21)	Net profit margin
		Rs. Million	%	Rs. Million	%	Rs. Million	%	%
Mukka Proteins limited	Standalone	5,362	26	102	1.9	46	(11)	0.9

Company name	Standalone / Consolidated	Operating Revenue	CAGR (FY18-21)	Operating profit	Operating profit margin	Net profit	CAGR (FY18-21)	Net profit margin
Janatha Fish meal and oil products	Standalone	2,767	8	NA	NA	27	6	1.0
TJ Marine Products Pvt. Ltd	Standalone	1421	5	71	5.0	14	(17)	1.0
Arbee Aquatic Proteins Pvt Ltd	Standalone	467	5	57	12.3	17	(14)	3.7
Akash Fishmeal and Fish oil Pvt. Ltd	Standalone	393	(15)	2	0.4	(35)	NM	(8.9)
Omega Fishmeal and oil Pvt. Ltd #	Standalone	71	(71)	(127)	NM	(203)	NM	NM

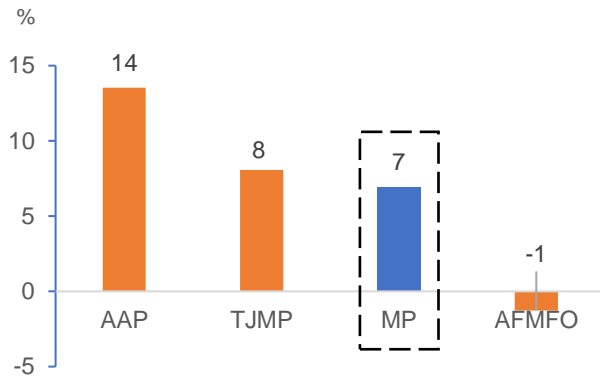
Note:

- Table contents have been sorted based on operating revenue in descending order, beginning with the highest operating revenue among the set of players
- Janatha fish meal and oil products is a partnership firm, the above mentioned values are taken from the credit rating rationale for company.
- #: Values for omage fish meal and oil pvt ltd are as of fiscal 2020 and CAGR is from fiscal 2018-20
- NM: Not Meaningful due to negative values, NA: Not Available

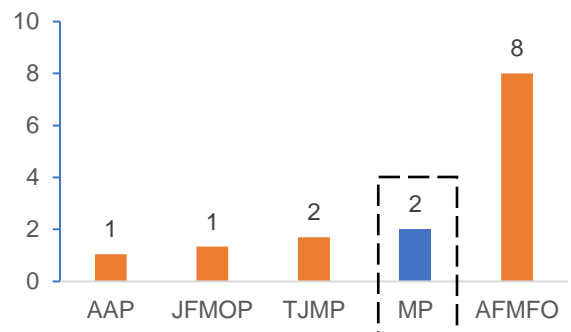
Source: Company annual reports, CRISIL Research

Other key financial ratio for fiscal 2021

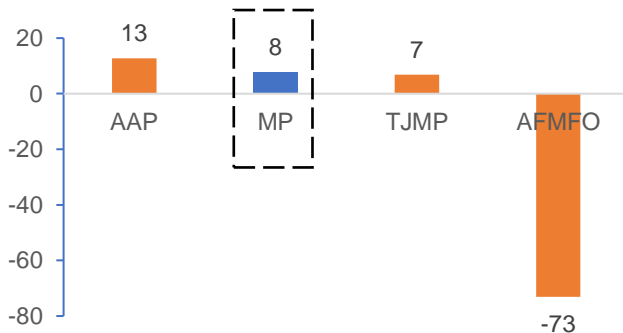
ROCE (%)



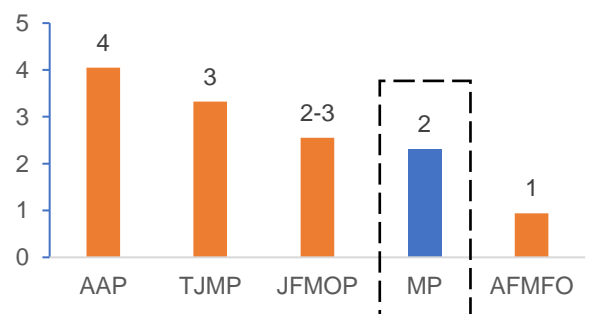
Gearing (times)



ROE (%)



Interest coverage (times)



Note:

- *MP: Mukka Proteins. Ltd, AFMFO: Akash Fishmeal and Fish oil Pvt. Ltd, AAP: Arbee Aquatic Proteins Pvt Ltd, JFMOP: Janatha Fish meal and oil products, OFMO: Omega Fishmeal and oil Pvt. Ltd, TJMP: TJ Marine Products Pvt. Ltd*
 - *Janatha fish meal and oil products is a partnership firm, the above mentioned values are taken from the credit rating rationale for company.*
 - *ROCE and ROE ratio's for Janatha fish meal and oil products are not available*
 - *For Omega Fishmeal and oil Pvt. Ltd latest available is as of fiscal 2020, hence not mentioned above*
- Source: Company annual reports, CRISIL Research

Key observations

- Mukka proteins limited through its promoters has presence in the fish meal and fish oil industry since 1975. Among the other players listed above, Arbee Aquatic Proteins Pvt Ltd has presence in the fishmeal and fish oil industry since 1978.
- Over the past 5 years, fiscal 2017 to 2021, share of Mukka Proteins limited in fish meal exports from India has ranged from 30-60% in volume terms
- Between fiscal 2017 to 2020, share of Mukka Proteins limited in fish oil exports from India has ranged from 20-50% in volume terms
- As per CRISIL Research, Mukka proteins limited with total operating revenue of Rs 5.4 billion, has a market share of 30-35% in the fish meal and fish oil industry for fiscal 2021 which is estimated to be Rs. 16-18 billion for the corresponding period.
- In terms of operating revenues, Mukka Proteins limited is the largest player with revenue of Rs. 5,362 million for fiscal 2021. Janatha fish meal and oil products is the second largest player with revenue of Rs. 2,767 million for fiscal 2021.
- Operating revenue for Mukka Proteins limited has grown at a faster pace when compared to its peers mentioned above at a CAGR of 26% from fiscal 2018 to 2021.
- Net profit for Mukka Proteins limited has degrown at CAGR of ~11% from fiscal 2018 to 2021. During the same period Janatha fish meal and oil products stands first with a growth of 6% among the players mentioned
- In terms of profitability, Arbee Aquatic Products Pvt Ltd. ranks higher among the players listed above, with net profit margin of ~4% for fiscal 2021. It is followed by TJ Marine Products Pvt. Ltd, Janatha fish meal and oil products and Mukka Proteins limited.
- As per CRISIL Research estimates and MPEDA database, Mukka Proteins Limited (at standalone level) occupies a share of ~4% in the overall fish meal and fish oil capacity in India. The lower share in capacity can be attributed to non-operation of few units and limited utilization rates of plants in fish meal and fish oil industry, as CRISIL Research has considered capacities registered with MPEDA for fish meal and fish oil industry.
- It is vital to note that, availability of raw materials i.e, fish species required to produce fish meal and fish oil acts as the major constraints in this industry rather the production capacities available.

About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions, with a strong track record of growth, culture of innovation and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers.

It is majority owned by S&P Global Inc, a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

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CRISIL Research is India's largest independent integrated research house. We provide insights, opinion and analysis on the Indian economy, industry, capital markets and companies. We also conduct training programs to financial sector professionals on a wide array of technical issues. We are India's most credible provider of economy and industry research. Our industry research covers 86 sectors and is known for its rich insights and perspectives. Our analysis is supported by inputs from our network of more than 5,000 primary sources, including industry experts, industry associations and trade channels. We play a key role in India's fixed income markets. We are the largest provider of valuation of fixed income securities to the mutual fund, insurance and banking industries in the country. We are also the sole provider of debt and

hybrid indices to India's mutual fund and life insurance industries. We pioneered independent equity research in India, and are today the country's largest independent equity research house. Our defining trait is the ability to convert information and data into expert judgements and forecasts with complete objectivity. We leverage our deep understanding of the macro-economy and our extensive sector coverage to provide unique insights on micro-macro and cross-sectoral linkages. Our talent pool comprises economists, sector experts, company analysts and information management specialists.

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Last updated: May 2018

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OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the Section “**Forward-Looking Statements**” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “**Risk Factors**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations**” on pages 26 and 269, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Unless otherwise indicated or the context otherwise requires, the financial information for the six months period ended September 30, 2021 and Fiscals 2021, 2020 and 2019, included herein is derived from the Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus. For further information, see “**Financial Information**” on page 221.*

Our Company’s Fiscal commences on April 1 and ends on March 31 of the immediately subsequent calendar year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, in this Section, references to “the Company” or “our Company” are to Mukka Proteins Limited on a standalone basis, and references to “the Group”, “we”, “us”, “our”, are to Mukka Proteins Limited its subsidiaries and the joint venture on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this Section have been derived from the report “Assessment of Fish meal and Fish oil processing industry in India” dated March 11, 2022) prepared and released by CRISIL and commissioned and paid for by our Company in connection with the Offer along with our own in-house research from publicly available information, data, statistics and has been derived from various government publication and industry sources. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Also see, “**Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data**” on page 14.*

BUSINESS OVERVIEW

Mukka Proteins Limited is an animal protein company, primarily engaged in the production of Fish Meal, Fish Oil and Fish Soluble Paste as well as developing alternative proteins such as Black Soldier Fly (BSF) Insect meal in the animal food segment.

Our Company is one of the fastest-growing companies ranked 350th in the list of Financial Times FT1000 High Growth Companies Asia Pacific 2021 edition and also shortlisted to be featured as one of the “Top 10 Sea Food Companies from Asia 2022” in upcoming annual edition of Asia Business Outlook Magazine on “Sea Food Companies”. We cater to the aquaculture sector which is the world’s fastest-growing food sector.

India is the second largest producer of farmed fish in the world after China and accounts for more than 8% of global aquaculture production. Capturing about 26% of the global trade, India has also emerged as the biggest shrimp exporter in the world.

The Government of India has given a lot of policy impetus to the Indian Marine sector which has led to this growth. The Pradhan Mantri Matsya Sampada Yojana (PMMSY) aims at enhancing fish production by an additional 70 lakh tons by 2024-25, increasing fisheries export earnings to Rs 1 lakh crore by 2024-25. PMMSY was launched to boost production and exports in the fisheries sector as part of the government’s aim to double farmers’ income.

The Government has issued a Draft Blue economic policy to further augment the growth of India’s Marine sector. India’s blue economy is a subset of the national economy comprising the entire ocean resources system and human-made economic infrastructure in marine, maritime, and onshore coastal zones within the country’s legal jurisdiction. With some 7,500 kilometres, India has a unique maritime position. 9 of its 29 states are coastal, and its geography includes 1,382 islands. Given India’s vast maritime interests, the blue economy occupies a vital potential position in India’s economic growth. It could well be the next force multiplier for GDP. Our group is well positioned to bring the vision of the government into reality and play a key role in India’s blue economy.

Fishmeal and Fish oil are one of the most essential ingredients in Aquafeed. Our Business is extended to manufacture of High-Quality Fish Meal and Omega-3 Fish Oil which is used as a raw material in aquafeed, poultry feed, pet feed, animal feed, EPA-DHA extraction (use in nutraceuticals – nutrients plus pharmaceuticals), soap manufacture, leather tanneries & Paint industries across globally.

The Mukka Group has a rich legacy of around 5 decades in the Indian Marine Industry and is currently led by our Managing Director and CEO Mr. Kalandan Mohammed Haris. Mukka Group is one of the pioneers in the Fishmeal Industry having set up one of India's first steam sterilised fishmeal plants. We produce Steam Dried Fish Meal, Fish Oil and Fish Soluble Paste from our modern and fully mechanized plant situated in Karnataka and Gujarat. Our Corporate office is based at Mangalore with an expert team of professional assistance. The group is now fully geared up to deliver Fish Meal, Fish Oil and Fish Soluble Paste to every corner of the globe.

Over the years, the group has set up modern Fishmeal manufacturing units across the strategically important coastlines with 9 (Nine) Fishmeal plants spread across 3 (Three) in Karnataka, 4 (Four) in Gujarat and 2 (Two) in Oman. Each unit has dedicated in house laboratory and EIA approved technologists for quality control management.

Recently, the Company diversified its products by developing alternative proteins such as Black Soldier Fly (BSF) Insect Meal and Insect Oil in the animal food industry. With this vision, the Company has entered in to a Joint Venture Agreement dated September 13, 2021 between Ento Proteins Private Limited (EPPL) and Holocene Ecosolutions Private Limited (HEPL) (a part of Sakku Group based in Guntur, Andhra Pradesh, one of the largest producers of BSF eggs in India. It is projected that the insect meal industry is set to take off in the next decade and the volumes could increase from present 10000 MT to 500000 MT by 2030.

Ento Proteins Private Limited has successfully converted around 4659 tons of food waste (wet waste) at the Municipal Solid Waste (MSW) site in the city of Mangalore through Black Soldier Fly Larvae (BSFL) which eventually yielded around 400 Tons of BSF larvae to be used in producing alternative proteins in the animal protein segment by upcycling agri/food waste.

As one of the earliest innovators in the space of alternative protein, we are well poised to establish our position as one of the pioneer and leading players in this alternative protein industry by setting up BSF Larvae processing plants in partnership with various government and municipal bodies on a PPP model. We have already demonstrated this initiative at Mangalore and we have received approval by the technical committee of Bruhat Bengaluru Mahanagar Palike (BBMP) to conduct trials in Municipal solid waste (MSW) sites in the city of Bengaluru.

Our goal is to contribute to India's food security in a big way by expanding our fishmeal business as well as developing alternative sources of proteins to meet the growing demand of a rapidly raising aquaculture industry globally in a most sustainable , responsible and natural manner.

The Company aims to expand its Fish Meal and Fish Oil business across the globe, as well as diversify into Insect meal production to emerge as the world's most diversified animal protein producer.

We truly care for our environment and have pledged to reduce the carbon footprint of India by developing alternative proteins, bio mass fuel briquettes and organic compost from food waste which will generate new sources of carbon credits.

We have a huge export market as well as a strong and robust domestic market for our products. We have decades old long standing business relationship with all the major aquafeed giants all across the world, especially Hongkong, Vietnam, Taiwan, Bangladesh, Malaysia, Denmark, Chile, USA, Oman, Turkey etc, in addition to the largest domestic market leaders in Indian Aquaculture industry. Some of our marquee clients include CP Aqua, Avanti feeds, GC Luckmate, Skretting, Grobest to name a few.

The management of Mukka Proteins Limited is committed to being the employer of choice, attracting and retaining the best of professionals. By developing a structure, systems and workplace culture that provides challenging jobs, rewards performance and delivers opportunities continuously, the group is striving to get the best out of its most valuable asset - its people.

We are one of the first companies in our industry to be EU certified and also listed in Chinese AQSIQ (Administration of Quality Supervision, Inspection and Quarantine). We hold international certifications like GMP+, Halal, HACCP, EIA, MPEDA, IFFO, ISO 9001:2015, ISO 22000:2018 certified company by NQA, UKAS Management Systems.

Certificate of Registration

nqa.

This is to certify that the Quality Management System of:

Mukka Proteins Limited
 Mukka Corporate House, Door no.: 18-2-16/4, First Cross, NG Road, Attavara, Mangalore,
 Dakshina Kannada, 575001, INDIA
 (Central function listed above. See appendix for additional locations)

applicable to:

Manufacture, supply and export of steam dried fish meal, fish oil and soluble paste
 has been assessed and registered by NQA against the provisions of:

ISO 9001:2015

This registration is subject to the company maintaining a quality management system, to the above standard, which will be monitored by NQA.

N. Wajug
 Managing Director

Certificate No. 27871
 ISO Approval Date: 12 December 2011
 Reissued: 4 November 2021
 Valid Until: 12 December 2023
 Prior Cycle Exp Date: 12 December 2020
 EAC Code: 03

Page 1 of 2

The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 215 held by NQA. NQA is a trading name of NQA Certification Limited. Registration No. 03051758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Cambridgeshire LU8 3CA, United Kingdom. This certificate is the property of NQA and must be returned on request.

Certificate of Registration

nqa.

This is to certify that the Food Safety Management System of:

Mukka Proteins Limited
 Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Mangalore,
 Dakshina Kannada, Karnataka, 575001, INDIA
 (Central function listed above. See appendix for additional locations)

applicable to:

Manufacture of steam dried fish-meal and fish-soluble paste for the use as feed ingredient; crude fish-oil for industrial use
 has been assessed and determined to comply with the requirements of

ISO 22000: 2018

This registration is subject to the company maintaining a food safety management system, to the above standard, which will be monitored by NQA.

N. Wajug
 Managing Director

Certificate No: 600185
 Initial certification date: 21 June 2016
 Reissuing Date: 15 November 2021
 Valid Until: 21 June 2022
 EAC Code: 03
 Food (Sub)Category: D1

Page 1 of 2

The use of the UKAS Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 012146 held by NQA. NQA is a trading name of NQA Certification Limited. Registration No. 03051758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Cambridgeshire LU8 3CA, UK. This certificate is the property of NQA and must be returned on request.

Certificate of Registration

nqa.

This is to certify that the Management Systems and Processes of:

Mukka Proteins Limited
 Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Mangalore, Daks

(Central function listed above. See appendix for additional locations)

applicable to:

Manufacture of steam dried fish-meal and fish-soluble paste for the use as feed ingredient; crude fish-oil for industrial use
 has been assessed and registered by NQA against the provisions of:

HACCP (Hazard Analysis and Critical Control Points) adopted by the CODEX Alimentarius Commission

This registration is subject to the company maintaining a food safety system, to the above standard, which will be monitored by NQA.

N. Wajug
 Managing Director

Certificate No: 50503
 Issue Date: 4 June 2014
 Reissued: 4 January 2022
 Valid Until: 21 June 2022
 EAC Code: 03

Page 1 of 2

NQA is a trading name of NQA Certification Limited. Registration No. 03051758. Registered Office: Warwick House, Houghton Hall Park, Houghton Regis, Cambridgeshire LU8 3CA, United Kingdom. This certificate is the property of NQA and must be returned on request.

PROCESS CERTIFICATE

SGS

Certificate number IN201818843907
 GMP+ Int. No.: GMP+11836
 SGS No.: C1000031

SGS Product & Process Certification declares that it has justifiable confidence that below mentioned process(es) at the company location:

Mukka Proteins Limited
 Door Nos. 14-161 to 164, Shashihlu Road, Mukka, Mangalore 575021, Karnataka, India

complies with the applicable requirements and conditions of the standard(s) of the GMP+ FC Scheme (based on GMP+ C6) or GMP+ International: **GMP+ BZ Production of Feed Ingredients**

Process(es): Production of feed materials

Scope: Manufacturing and Supply of Fish Meal and Fish Oil.

This certificate is valid from:
 03 December 2021 until 25 October 2024

Certified with SGS since October 2015

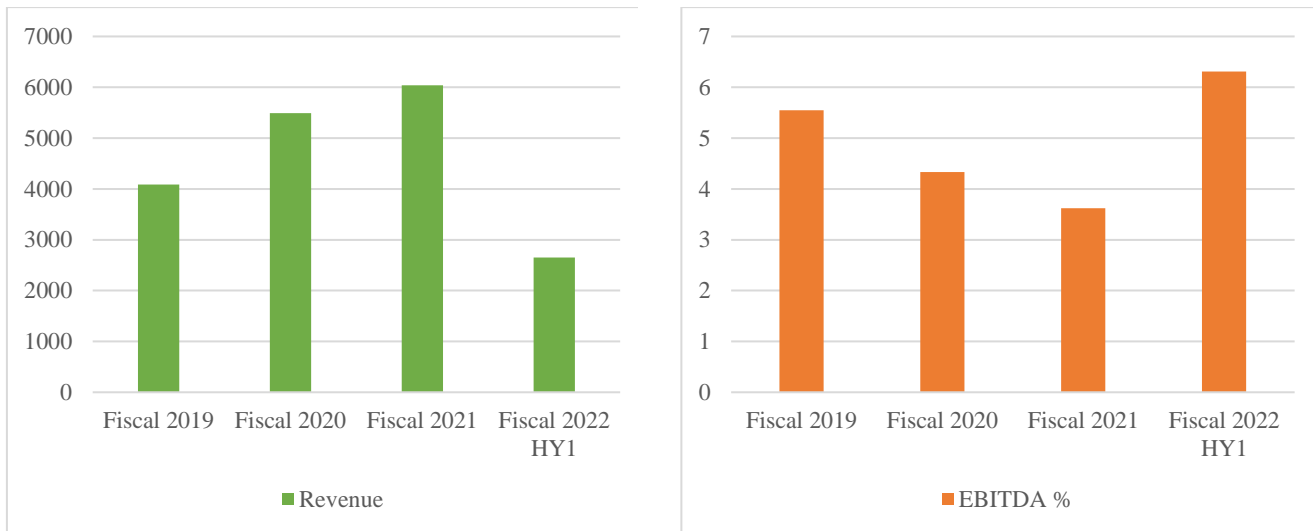
Authorized by:

 M. Kaizer
 Certification Manager SGS Product & Process Certification

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Financial Overview:

As per Restated Consolidated Financial Statement, In the six months period ended September 30, 2021 and Fiscal 2021, 2020 and 2019, our revenue from operations was ₹ 2652.36 million, ₹ 6038.34 million, ₹ 5492.48 million and ₹ 4087.89 million, respectively and our restated total profit after Tax for the period/ year was ₹ 60.69 million, ₹ 110.10 million, ₹ 135.74 million and ₹ 136.81 million, respectively. Our EBITDA was ₹ 167.41 million, ₹ 218.80 million, ₹ 237.88 million and ₹ 226.68 million for the six months period ended September 30, 2021 and the Fiscals 2021, 2020 and 2019. Our EBITDA Margin (EBITDA as a percentage of our total income) was 6.31%, 3.62%, 4.33% and 5.55%, respectively.



Impact of COVID-19 on our Business Operations

The current outbreak of COVID-19 pandemic has adversely impacted the global economy. The World Health Organization (WHO) declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. Subsequently in view of the second wave of COVID-19, Government of Karnataka had imposed a complete lockdown in the state of Karnataka.

Our industry was covered under Essential Commodities and was allowed to operate as per the notifications and government directives. However, logistics and supply chains were impacted for a brief period of time. We continued our manufacturing activities in compliance with the government’s COVID 19 guidelines on sanitization, people movement and social distancing.

The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in “Risk Factors – External Risk Factors”. The outbreak of Novel Coronavirus or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations on page 26 of this Draft Red Herring Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2021 that may affect our results of operations– Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)” on page 26 of this Draft Red Herring Prospectus.

Our Company operates under the following verticals:

- Manufacturing of Fish Meal, Fish Oil and Fish Soluble Paste (at our own Manufacturing Facility)
- Manufacturing of Fish Meal, Fish Oil and Fish Soluble Paste (through our Subsidiaries)
- Manufacturing of Insect Meal

OUR PRODUCT PORTFOLIO:

Fish Meal:

Fish Meal has a high nutrient concentration, which is a special advantage as a supplement in high nutrient dense starter diets for poultry, aquaculture and animal feed. Indian Fish Meal is a rich protein source and is used as ingredient in feed stuff in the aquaculture, animal feed, poultry feed, pet feed, Fish feed and dairy industries. We manufacture Steam Dried Fish Meal



at our mechanized modern plants located in Karnataka and Gujarat. Most of the Raw materials used are Sardines, Mackerels, Anchovies etc.

Fish Meal is also a concentrated source of high-quality protein and fat rich in Omega-3 essential fatty acids EPA and DHA. These are deposited in the meat and eggs of animals when Fish Meal is used as feed ingredient. Incorporation of Fish Meal into the diets of Fish and other farm animals is an efficient method to ensure proper concentration of these important Omega-3 fatty acids. when used by human beings.

Fish Meal is a brown powder or cake obtained from optimum cooking, steam drying and grinding raw fish. Our Company manufactures a wide variety of high-quality Fish Meal that provides a balanced amount of all essential amino acids, minerals, phospholipids and fatty

acids for growth, reproduction and optimum development.

Driven by a humongous demand for Fish Meal in the global market, we at Mukka Proteins Limited, have earned a huge reputation as Steam Dried Fish Meal Manufacturers and Exporters. Due to its high protein content and superior quality, the variety of Fish Meal offered by this Seafood Industry are simply unparalleled and are widely accepted by a large number of consumers.

Advantages of Fish Meal in Animal Health, Welfare and Productivity:

- To Improve in immunity with greater disease resistance and reduced impact of disease if contacted.
- Reduction of mortality in younger animals, mainly on lambs and piglets.
- This also reduces severity of inflammatory diseases (EPA and DHA are anti-inflammatory).
- Provide a wide range of essential nutrients, many of which are not provided adequately from vegetable materials, thus improving the animal's nutritional status.
- Productivity improvement through better growth and feed conversion, thereby reducing the cost of animal production.

Parameters	Super Grade	Prime Grade	Standard Grade	Grade FAQ
Protein	67% Min	65% Min	62 - 63% Min	60% Min
Sand / Silica	2% Max	2% Max	2% Max	2% Max
Moisture	8 - 10% Max	8 - 10% Max	8 - 10% Max	8 - 10% Max
Fat	8 - 10%	8 - 10%	8 - 10%	8 - 10%
Ash	20 Max	22 Max	22 Max	22 Max
Salt	2% Max	2% Max	2% Max	2% Max
TVN	100 Mg / 100g	110 Mg / 100g	120 Mg / 100g	120 Mg/ 100g
Histamine(max)	500 Mg / 100g	500 Mg / 100g	500 Mg / 100g	500 Mg / 100g
Packing	50 KG HDPE Bag	50 KG HDPE Bag	50 KG HDPE Bag	50 KG HDPE Bag

Product Characteristics:

Product Name	Fish Meal
Raw materials and ingredients used	Sea caught fish
General product Specifications	As per the Finished Product Specifications for Fish meal
Specific product Specifications (chemical, microbiological and physical characteristics)	As per the Finished Product Specification of fish meal
Preservation Method	Store in normal condition, do not wet & warm
Primary Packaging	HDPE Bag
Shelf life	One year from Date of Manufacturing when stored at ambient temperature
Labelling instructions	As per Buyers instruction & Statutory and regulatory requirements
Potential mishandling of the product	Using damaged products Usage of the product after the prescribed shelf life. Prolonged and/or improper storage after opening and consumption.

Fish Oil:

Fish Oil is oil derived from the tissues of oily fish. It serves as an important application in the animal feed industry (mainly aquaculture and poultry), where it is known to enhance growth, feed conversion rate (FCR). Offered in various varieties, our range is acknowledged for being pure, environment-friendly and safe to use. Hygienically processed and packed, our crude Fish Oil ensures longer shelf life while preserving its nutrient value.

Fish Oil is a major natural source containing two of the most important omega-3 fatty acids, EPA and DHA. We, at Mukka Proteins Limited, offer a qualitative variety of crude Fish Oil that is manufactured from the best quality raw materials.

It is produced during the process of manufacture of Fish Meal by pressing and centrifugation of fresh fish such as Sardines, Mackerel, Anchovy etc. It can be used in making industrial products such as protective coating, leather chemicals, printing inks, lubricants, aqua feed manufacturing and greases etc.



Fish Oil Benefits:

- It's rich in the omega-3 fatty acids known as DHA and EPA.
- Benefits include decreasing the risk of heart disease and stroke.
- Also helping reduce symptoms of depression, hypertension, attention deficit hyperactivity disorder (ADHD), joint pain, arthritis and chronic skin ailments like eczema.
- Intake has also been associated with aiding the body in weight loss, fertility, pregnancy and increased energy.
- Slow the development of plaque in the arteries.

Content	Value
Acid Value	Less than 6 mg KOH/G
Energy	9000 K/Cal
EPA	14-18%
DHA	6-9%
FFA	2-3%
Saponification	Value 190-200
Sediments	NIL
Moisture	Less than 1%

Content	Value
Impurities	NIL
Specific Gravity	0.90 Grams per millilitre
Antioxidant	As per customer request
Packing	Flexi Bags, MS Drums, Plastic Drums

Product Characteristics:

Product Name	Fish oil
Raw materials and ingredients used	Press liquid from Sea Caught fish
General product Specifications (appearance etc.)	As per the Finished Product Specification for fish oil
Specific product Specifications (chemical, microbiological and physical characteristics)	As per the Finished Product Specifications for fish oil
Preservation Method	Store in closed condition without air gap or air tight packages
Primary Packaging	MS drums / Plastic drums
Shelf life	One year from Date of Manufacturing when stored at ambient temperature
Labelling instructions	For Drums MPL Logo and handling Instructions As per Statutory & regulatory requirements
Potential mishandling of the product	Using damaged products Usage of the product after the prescribed shelf life. Prolonged and/or improper storage after opening & consumption

Fish Soluble Paste:

Fish Soluble Paste is produced as a by-product of Fish Oil production industries. During the processing of fish to recover the oil fraction a mixture of water and oil is produced. Then after this mixture is centrifuged to remove the oil the water containing fraction can then be condensed or dried to produce condensed Fish Soluble Paste or dried Fish Soluble Paste.



It is a brown, semi-viscous liquid, with a fishy but pleasant odour. The unidentified growth factors present in it help in increasing the rate of growth. It is rich in all the dissolved proteins, vitamins and amino acids.

Fish Soluble Paste have a high crude protein content. The variation in protein content is caused by the fishing season and the fish species processed. Used in aqua feed as a feed attractant & organic fertilizer. It is also a good source of water Soluble vitamins.

The unidentified growth factors present in Fish Soluble Paste offered by this seafood industry helps in increasing the rate of growth. At Mukka Proteins Limited, we offer

quality Fish Soluble Paste that retains the unidentified growth factors. Our rich industry expertise has assisted us in accomplishing an enormous customer base all over the world.

Parameters	Content %
Protein	40% Min
Moisture	45% Max
TVBN (Total Volatile Based Nitrogen)	350mg max
Antioxidant	As per Customer Request

Parameters	Content %
Ph2 (PPM) at Production	5 to 6
Packing	200 Litre open top drum

Product Characteristics:

Product Name	Fish soluble paste
Raw materials and ingredients used	Press liquid from Sea Caught fish
General product Specifications (appearance etc.)	As per the Finished Product Specification for fish soluble paste
Specific product Specifications (chemical, microbiological and physical characteristics)	As per the Finished Product Specifications for fish soluble paste
Preservation Method	Store in closed condition without air gap or air tight packages
Primary Packaging	MS drums / Plastic drums
Shelf life	One year from Date of Manufacturing when stored at ambient temperature
Labelling instructions	For Drums MPL Logo and handling Instructions As per Statutory & regulatory requirements
Potential mishandling of the product	Using damaged products Usage of the product after the prescribed shelf life. Prolonged and/or improper storage after opening and consumption

Insect Meal:

Black Soldier Fly, *Hermetia illucens* is a dipteran fly insect widely used as a protein supplement in the feed formulations of aquaculture. This fly is amenable for mass production in organic food and agriculture waste could be a viable alternative to the high cost fish meal used in the fish feed formulations. The life cycle of the BSF could be completed in 23- 25 days depending upon the substrate on which the culture was reared and prevailing weather conditions. Adult fly mate during flight and seeks decaying substrates for oviposition. It lays about 200-300 eggs on the decomposing substrate in groups and hatches in 2-7 days. The larvae start feeding upon decaying organic matter and pass through six larval instars. The mature sixth instar larvae enter pupation. The adult emerges in 4-5 days. The mature larvae and prepupae of this fly are a rich source of protein to supplement or replace protein constituents in fish feed.



- At present, most Indian cities are able to compost only a fraction of wet waste and the balance gets accumulated in large mountainous heaps of inorganic waste thereby losing all organic value in it.
- Composting requires fresh waste to be stored and dried for over a month before processing this causes a lot of bad odour, leachate, breeding of flies, vector mediated diseases, public nuisance and agitations due to health hazards for the general public.
- Compost quality is not of high organic value and has plastics, metals, glass etc which makes it inorganic and the city compost unpopular with farmers.
- The process of composting completely ignores the organic food value of wet waste and a circular economic approach whereby waste could be used to develop alternate sources of proteins in the animal feed industry.

Nutritional Value of BSF Larvae:

Content	Value
Protein	50%
Fat	35%
Calcium	6%
Phosphorus	1.2%

Content	Value
Magnesium	1%
Sodium	0.3%

Protein and Fat Value, are the two most important things to make food for animal feed. The nutritional composition of BSF larvae will vary when BSFL are fed with different food sources. So, the nutrient composition of BSF Larvae is variable. The table that compares the nutritional composition of BSF varies greatly based on the food they eat:

Food Sources	Protein	Fat
Animal Manure	39.1 - 45.7%	29.0 - 35.1%
Food Wastes	39.0 - 41.8%	27.2 - 35.1%
Green Waste	31.2 - 36.4%	5.2 - 6.63%
Raw Rice Bran	42.3 - 45.7%	27.5 - 27.8%

Black Soldier Fly Larvae is more nutritional for Animal Feed due to following reasons:

- High Protein Content
- Rich Fats Content
- Calcium and Phosphorus Content
- Magnesium Content
- Sodium Content.

Intended Use of the Product:

Fish Meal:

- To be used as an ingredient for poultry feed, Aquaculture, Feed, swine Culture, cattle culture etc.
- Fish meal shall not be used for human consumption.

Fish Oil:

- To be used as ingredient for Aquaculture, paint industry, leather industry, leather tanning, cattle feed, bio diesel, soap industry, etc.
- Fish oil shall not be used for human consumption.

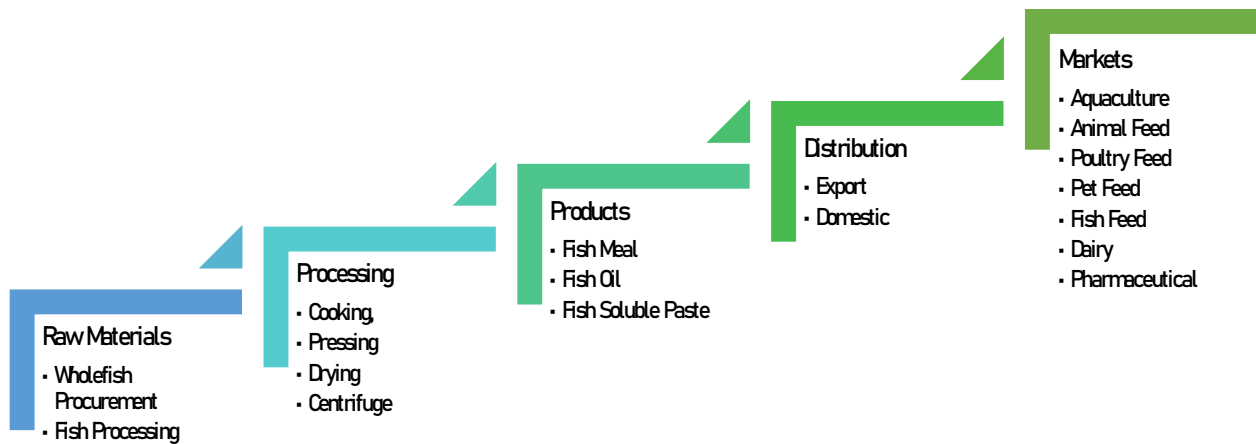
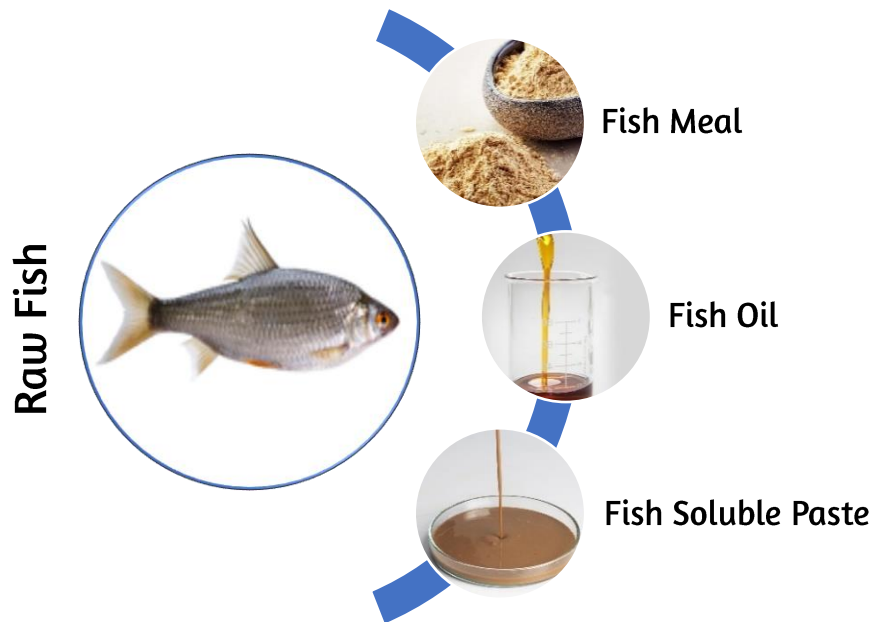
Fish Soluble Paste:

- To be used as an ingredient for poultry feed, Aquaculture feed, swine culture, cattle culture, etc.
- Fish soluble paste shall not be used for human consumption.

Insect Meal:

- To be used as an ingredient for poultry feed, Aquaculture feed, swine culture, cattle culture, etc.
- Insect Meal shall not be used for human consumption.

The various stages of fish processing are as below:



1. Procurement of Raw material

The raw fish viz. Sardine, Mackerel, Anchovy etc. are brought in refrigerated insulated trucks with clearly stacking of fish in crates with sufficient ice and appropriate temperature. The trucks are visually checked by our staff for temperature, freshness, foreign matter, iced, any other fish mix etc where all trucks are recorded and checked and then used for processing. The Sardine is also tested for microbiology parameters by our in-house laboratory and is even tested with EIC/EIA approved laboratory where the test reports are maintained.

2. Cooking

Once the raw fish is checked and added into the raw fish tank it is passed through conveyor to the cooking process. The fish is cooked at 90^o-95^o C, but the RPM and time of cooking is based on the Fish size where the cooking validation chart is displayed in the cooking area, which is recorded every hour. The purpose of cooking is to denature or coagulate the proteins of fish and to rupture the cell wall of tissues of fish so that it helps in separating oil and water

present in fish. The cooking process is fully automated and at every start of the production the cooker is cleaned daily and greasing for the motors with food graded grease.

3. Pressing

Pressing operation separates two distinct phases of cooked material. They are

- Solid Phase (press cake) and
- Liquid Phase (press liquor)

The cooked fish is dropped into the screw press. The process removes the maximum quantity of oil and moisture from cooked fish. Usually press cake coming out of the screw press contains about 45-55% of water and 2 to 3% fat. Press liquor coming out of the press is saved for oil extraction. The press cake that is obtained after the screw press is checked for moisture percentage, which is and pressing of cooked fish is for 10 minutes.

4. Drying

In the drying process, fluffed press cake containing about 50% moisture is dried to a moisture content of less than 10%. The press cake is passed through a conveyor to the drier which is automated. The drying temperature is maintained between (90⁰-95⁰ C) disc -2kg/cm³ and jacket -4kg/cm³ pressure for about 60-70 mins which is recorded every hour during the process. This generates dried fish meal.

The moisture content of the press cake coming out of the drier should be 10% or less. The dried press cake is then passed through a magnetic separator to remove any steel contaminants.

5. Pulveriser

The dried fishmeal is passed through a conveyor to the Pulveriser, where it is grinded and bones of the fish are crushed and made into powdered form. After the Pulverizer fishmeal will be added with antioxidant with regard to buyers request only. The antioxidant used for fishmeal is recorded in the register.

6. Cooling

The fishmeal which is in powdered form is passed to the cooler where the water temperature is maintained between 26⁰-30⁰ C. The Cooler is equipment which is similar to the drier except that instead of steam, cold water is passed. In the cooler dried fish meal is cooled to room temperature.

7. Sieving

The cooled fishmeal is passed through the conveyor to the sieve where it is sieved using mesh to separate extraneous materials such as wood, cloth, fishing hooks, shells and nails etc. The debris obtained from the sieving is collected in separate bags, which come from the bottom of the sieve.

8. Decanter

The raw fish once cooked and screw pressed the liquid that is obtained after press is collected in a Stick water tank which is further passed to the Decanter. The suspended particles which are in solid form present in the stick water is collected and added to the drier as it gives fishmeal and the liquid flows to the next process.

9. Preheated tanks

The preheated tanks contain the liquid which is obtained from the Decanter containing oil content and other suspended matter. The preheated tank should be maintained at a temperature of above 80⁰ C, below 90⁰ C and the record of the temperature, volume in three preheated tanks is also recorded which should be equally distributed and the liquid stays for about 10-15 minutes in the preheated tank.

10. Centrifuge

The liquid from the preheated tank is passed through a pipeline to the centrifuge where oil gets separated at RPM (6000-7000). The oil obtained from it is checked for moisture and FFA every hour and then it is pumped to the storage tanks.

11. Evaporator

In order to start the process, the stick water tank level should be 25- 30 % which is obtained after centrifuge shown on the system. The sealing water pump, cooling water supply pump, cooling tower fan, air compressor, drier and vacuum pump all are in use at once. This produces the fish soluble paste.

12. Boiler

To start-up the boiler feed water is tested for hardness which is less than 5 ppm which is recorded and maintained and then it is let inside the boiler. The fuel is burnt inside the furnace, where water gets heated up. The wood used as the primary fuel. The water level in gauge should be 3/4th which is recorded. Pressure is maintained 8-9 kg/cm³ with temperature of 102⁰ C. Header pressure is maintained between 7- 8 Kgs/cm². Blow-down is done frequently which is recorded. The water used for boilers which is tested as per 98/83/EC once in two years. All the gauges are calibrated and records are maintained.

13. Packing

Fish Meal: Fish meal in bulk is pelletized to make mechanical handling easier, since, it does not flow readily as a powder. The batch number, expiry date, date of manufacturing is printed on the HDPE bags before collection of fishmeal and then manually weighed by the weight balance which is calibrated and stacked in pellets. The stacked bags on the pellets are placed in the warehouse with the help of a forklift.

Fish Oil: Fish oil is packed in the plastic air tight HDPE barrels or flexi bags, tankers and flex tankers.

Fish Soluble Paste: Fish soluble paste is generated after evaporation of protein water; the fish soluble paste is in the form of paste with high content of protein. This is packed in plastic air tight barrels or flexi bags.

14. Storage

Fish meal is not readily spoiled by bacterial action because of its low water content: Fish meal is stored at ambient temperature either in HDPE bags. Fish meal does not require any refrigerating while in a storage. Fish meal in bulk is sometimes palletized to make mechanical handling easier, since it does not flow readily as a powder.

Fish oil is not readily spoiled by bacterial action because of its low water content; Fish oil is stored in ambient temperature either in air tight plastic barrels, flexi bags, tankers and oil tanks.

Fish soluble paste stored in ambient temperature in air tight plastic barrels, flexi bags, tankers, etc.

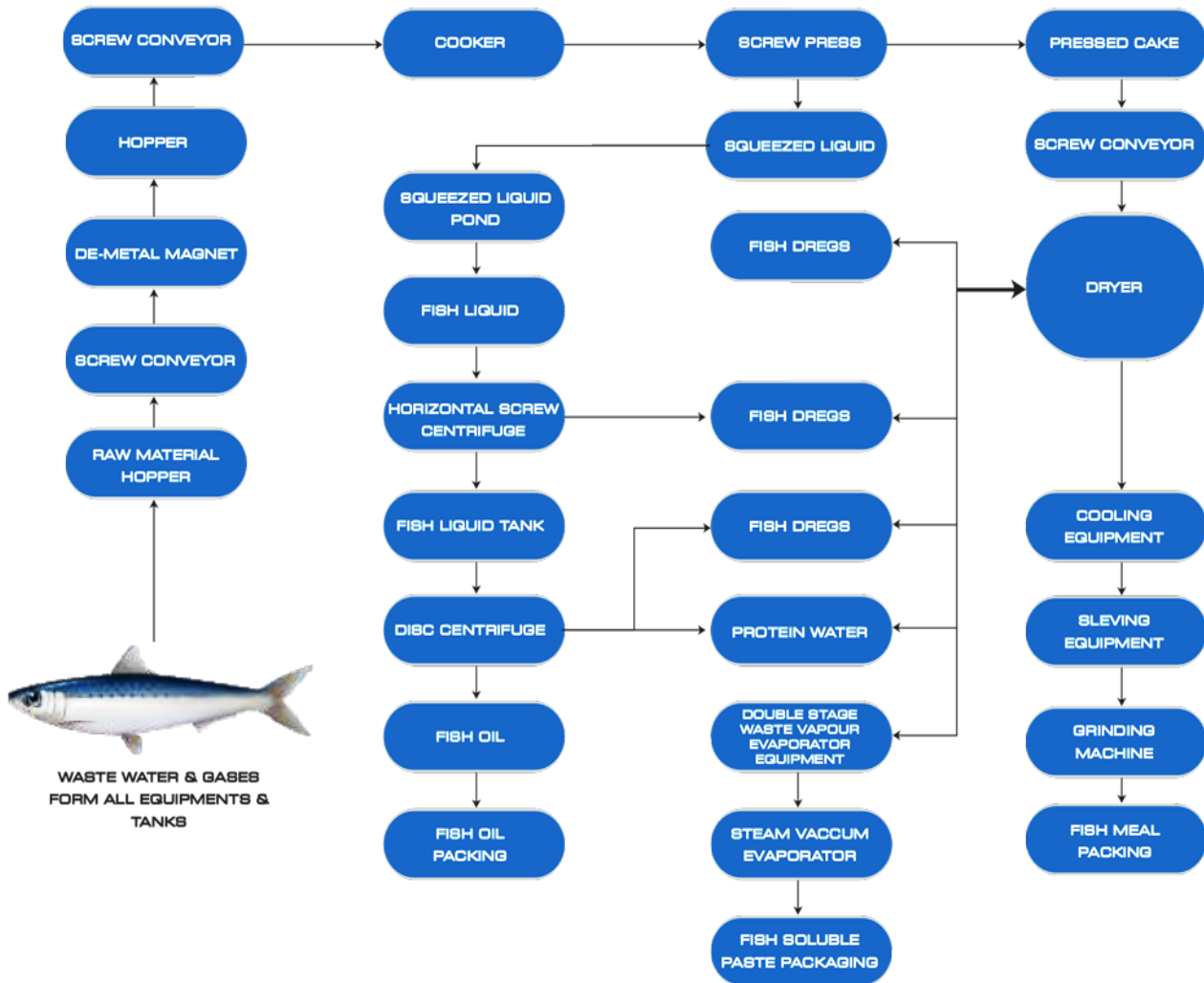
15. Dispatch

Fish meal is transported in polypropylene bags or HDPE bags or in bulk through trucks or containers at normal ambient temperature.

Fish oil is transported at ambient temperature either in air tight plastic barrels, flex bags, tankers.

Fish soluble paste is transported at ambient temperature in air tight plastic barrels, flexi bags and tankers.

Below is a diagrammatic representation of our product range used in the processing and material handling industry value chain:



Manufacturing Division:

In-house Manufacturing:

Manufacturing Plant at Mangalore (Unit – 1)

We have set up our main Manufacturing Plant at Mangalore pursuant to license for running of factory issued by Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka under the Factories Act, 1948 and Karnataka Factory Rules, 1969.

Manufacturing Facilities:

We own and operate strategically located 1 (one) manufacturing facility, 2 (two) blending units at Mangalore, Karnataka and 2 (two) blending units at Gujarat.

Our facilities are located close to ocean and emerging industrial markets and material handling industries, allowing economies of scale and logistical advantages for our customers, and to insulate them from local supply or other disruptions. We do not outsource any of our products except to our subsidiaries/associates, unlike certain of our competitors, which reduces our external dependencies and adds to our ability to turnaround customized designs in a short timeframe.

The following table sets out certain details of our manufacturing facilities:

Sl. No.	Facility Location	Products Manufactured	Leased/Owned	Year of Commissioning/ Acquisition
A. Karnataka				
1.	Mangalore (Unit – 1)	Fish Meal, Fish Oil, Fish Soluble Paste	Owned	2010
2.	Mangalore (Unit – 2)	Blending of Fish Meal	Owned	2017
3.	Mangalore (Unit – 3)	Blending of Fish Meal	Owned	2019
B. Gujarat				
4.	Gujarat (Unit – 4)	Blending of Fish Oil	Leased	2018
5.	Gujarat (Unit – 5)	Blending of Fish Oil	Leased	2019

PLANT AND MACHINERIES

Our unit wise plant and machinery is as follows:

- Mangalore Unit (Unit – 1)

The following is the list of major plant and machineries installed at Unit – 1

SI No	Name of Machinery	Quantity
1	Boiler	03
2	Screw Conveyer	27
3	Cooker	04
4	Press	04
5	Drier	02
6	Miller	05
7	Cooler	03
8	Siever	02
9	Air Compressor	03
10	Decanter	03
11	Centrifuge	06
12	Tank Pump	05
13	Cooling Tower	05
14	STP	01
15	ETP	01
16	Dust Collector	01
17	Cooker	01
19	Collection Tank Pump	02
20	Stick Water Collection Pump	02
21	Feed Pump (Evaporator)	04
22	Steam Condensate Pump	01
23	Transfer Pump	08
24	Mixer	01
25	Conveyer	03
26	Softener	01
27	Circulation Pump (Bio Filter)	03
28	Blower (Bio Filter)	01
29	Loading Pump (Oil & Paste)	04
30	Ammonia Compressor	01

- Mangalore Unit (Unit – 2)

The following is the list of major plant and machineries installed at Unit – 2

Sl. No.	Name of Machinery	Quantity
1	Elevator	01
2	Mixer M/C	01
3	Miler	02
4	Conveyer	06

- Mangalore Unit (Unit – 3)

The following is the list of major plant and machineries installed at Unit – 3

Sl. No.	Name of Machinery	Quantity
1	Screw Conveyer	03
2	Miller	01
3	Cooler	01

- Gujarat Unit (Unit – 4)

The following is the list of major plant and machineries installed at Unit – 4

Sl. No.	Name of Machinery	Quantity
1	Mixer with Cooler	01
2	Pulveriser	01
3	Scaling & Packing System	01

- Gujarat Unit (Unit – 5)

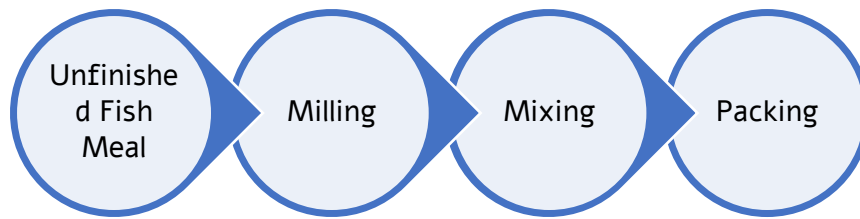
The following is the list of major plant and machineries installed at Unit – 5

Sl. No.	Name of Machinery	Quantity
1	Mixer with Cooler	01
2	Pulveriser	01
3	Scaling & Packing System	01

Blending Unit at Karnataka and Gujarat (Unit – 2, 3, 4 & 5)

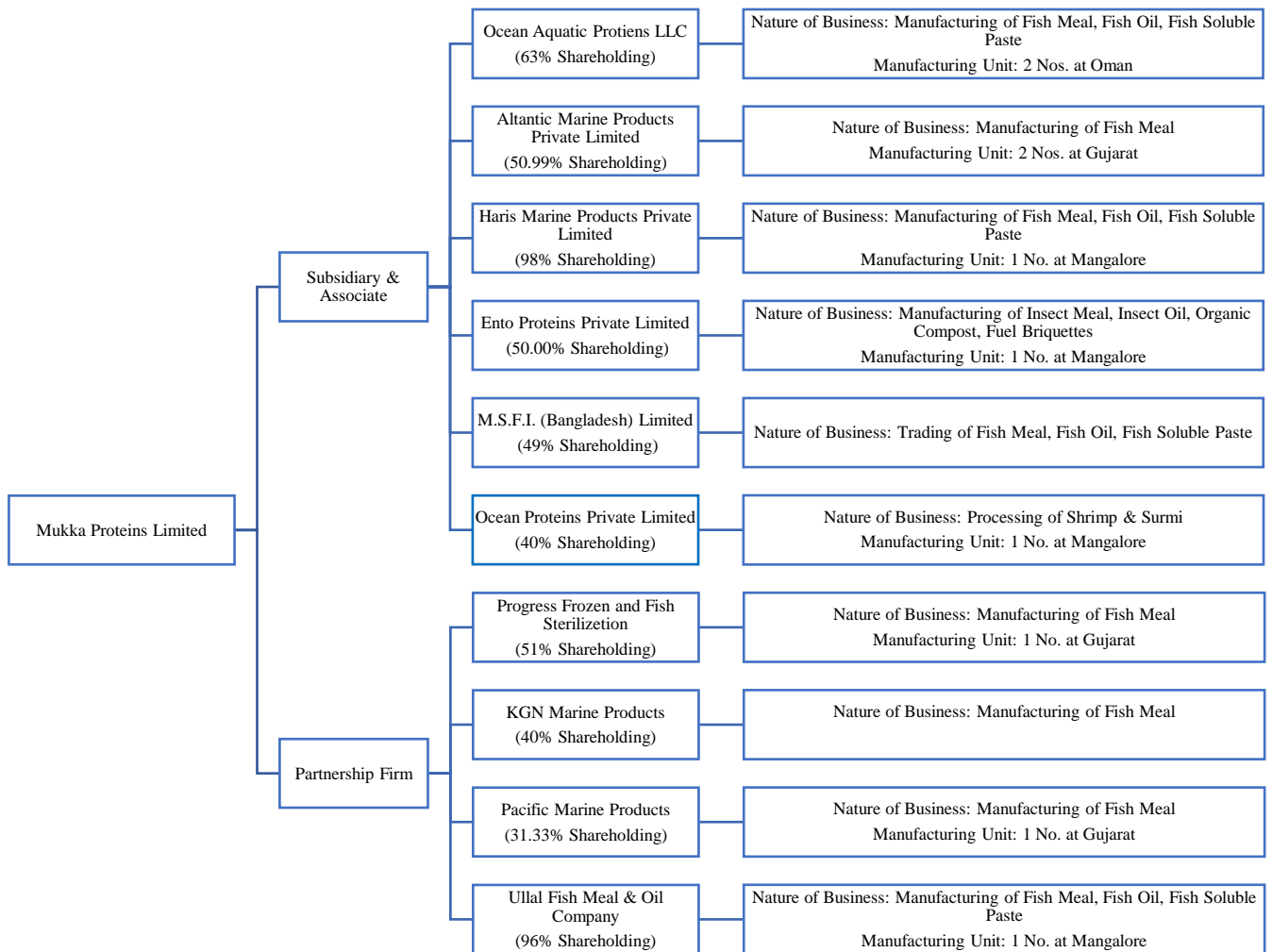
We have 2 (two) Blending Plants at Mangalore, Karnataka and 2 (two) Blending Plants at Porbandar, Gujarat.

We blend different quality of fish meal to get desired protein level as per customers requirement. Blending of Fishmeal is processed in our plants under strict quality control. The unfinished fish meal of different protein levels passes through millers and mixers where the unfinished fish meal is mixed. The mixed finished fish meal is filled in high-density polyethylene bags. Every stage is strictly monitored to maintain the quality. The quality of fish meal is tested at laboratories and batches are segregated according to their specifications. The various stages of blending fish meal are as below:



Outsourced Manufacturing:

Apart from production at our own manufacturing facility situated at Mangalore, we majorly manufacture Fish Meal, Fish Oil, Fish Soluble Paste through our Subsidiaries/associates/group companies. The details of supplies by our subsidiaries/associates/group companies are given below:



Apart from above, Haris Marine Products Private Limited is holding 90% shares of Mangalore Fish Meal and Oil Company (Nature of Business: Manufacturing of Fish Meal, Fish Oil and Fish Soluble Paste and having 1 unit at Mangalore)

Transactions related to Purchases and Sales of Fish Meal, Fish Oil, Fish Soluble Paste with our Subsidiary/Associates/ Group Companies:

(₹ in million)

Name of Subsidiary/Associates/Group Companies	Purchases			
	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Haris Marine Products Private Limited	-	193.59	56.04	-
Haris Marine Products	-	-	27.58	520.76
KGN Marine Products	-	-	36.57	436.20
Progress Frozen & Fish Sterilization	127.88	602.24	576.36	-
Atlantic Marine Products	-	-	215.81	196.78
Atlantic Marine Products Private Limited	202.43	539.67	216.91	-
Ocean Aquatic Proteins LLC, Oman	101.37	104.09	181.71	58.67
Mangalore Fish Meal & Oil Company	144.36	238.07	-	-
Ullal Fish Meal & Oil Company	118.68	211.20	-	-
United Fish Meal FZC, Dubai	-	-	-	59.24
Bismi Fisheries Private Limited	-	130.09	342.71	536.58
Silk Winds International	8.92	-	-	-
Total	703.64	2018.95	1653.69	1808.23

(₹ in million)

Name of Subsidiary/Associates/Group Companies	Sales			
	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Haris Marine Products Private Limited	144.24	114.00	101.50	-
Haris Marine Products	-	-	-	77.59
KGN Marine Products	-	-	-	3.93
Atlantic Marine Products	-	-	-	0.22
Ocean Aquatic Proteins LLC, Oman	-	-	9.78	7.21
Mangalore Fish Meal & Oil Company	27.79	26.61	-	-
Ullal Fish Meal & Oil Company	53.87	29.38	-	-
United Fish Meal FZC, Dubai	-	-	-	36.79
Bismi Fisheries Private Limited	-	-	-	0.39
Total	225.90	169.99	111.28	126.13

Equipment and Infrastructure:

Flake Ice and Chiller Room

Our manufacturing facility has capacity of Flake Ice of 5 Tons/day (-2)°C and Chiller Room of 9.9 Tons/day having capacity of 4°C for freezing of raw fish. The temperature during transportation of the Raw fish is set to 4°C and not exceeding 10°C and the trucks which do not have sufficient ice and temperature are passed to the flake ice where extra ice is added and further passed on to chiller room. A large portion of fresh fish contains water, because the water in fish contains many dissolved substances, it does not uniformly freeze at the freezing point of pure water.

Warehouse (Godown 1 & 2):

We have set up 1 (one) warehouse in Mangalore and 1 (one) warehouse in Porbandar where all the finished products are stored.

Our warehouse facilities are located close to our manufacturing facilities and emerging industrial markets and material handling industries, allowing economies of scale and logistical advantages for our customers, and to insulate them from local supply or other disruptions.

The following table sets out certain details of our Warehouse facilities:

Sl. No.	Facility Location	Products Stored	Leased/Owned	Year of Commissioning/ Acquisition
A. Karnataka				
1.	Warehouse	Fish Meal, Fish Oil, Fish Soluble Paste	Owned	January 10, 2018
B. Gujarat				
2.	Warehouse	Fish Meal, Fish Oil	Leased	August 01, 2018

Fuel:

We have installed 3 (three) steam boilers in our manufacturing unit (Unit – 1) at Mangalore for which Boiler License from Directorate of Boiler, Mangalore is obtained. Wood is used as primary fuel for all boilers. The use of wood as fuel in boilers, is a cost-effective option, compared to diesel, gas and other fuels etc. in our region. It has an economically competitive price when compared to other fuel sources that are used for heating purposes. Since the cost of wood does not vary according to exogenous factors, hence the price remains stable. Hence this cost-effective option saves a lot of money and is one of the most bought heating products.

Power:

All our units have adequate power supply to carry out manufacturing operations. The details of the power supply of our manufacturing units are as follows:

1. Karnataka:

Manufacturing Unit (Unit – 1, 2, 3): The Unit receives power supply from Mangaluru Electricity Company Limited and has been sanctioned adequate power supply to run the operations.

We have installed 2 (two) DG sets of 400 KVA each in Unit – 1 for contingencies occurring due to power outage for which requisite permission has been obtained from Electrical Inspectorate, Mangalore.

2. Gujarat:

Manufacturing Unit (Unit – 4, 5): The Unit receives power supply from Gujarat Electricity Company Limited and has been sanctioned adequate power supply to run the operations.

Water:

All our units have adequate water supply to carry out manufacturing operations.

Sales, Marketing and distribution channels

Our subsidiaries/associates/group companies majorly sell their products only to Mukka Proteins Limited. We market our products through two channels:

- Direct sales to customers from India; and
- Direct sales to our Subsidiary/associates

The table below sets forth the contribution of direct sales and sales made through our Subsidiaries/associates to our overall sales for the periods indicated:

Particulars	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Percentage of sales from direct sales to customers	90.68%	96.83 %	97.96 %	96.90 %
Percentage of sales to our Subsidiary/ associates	9.32%	3.17 %	2.04 %	3.10 %
Total sales in percentage	100 %	100%	100%	100%

OUR CUSTOMERS

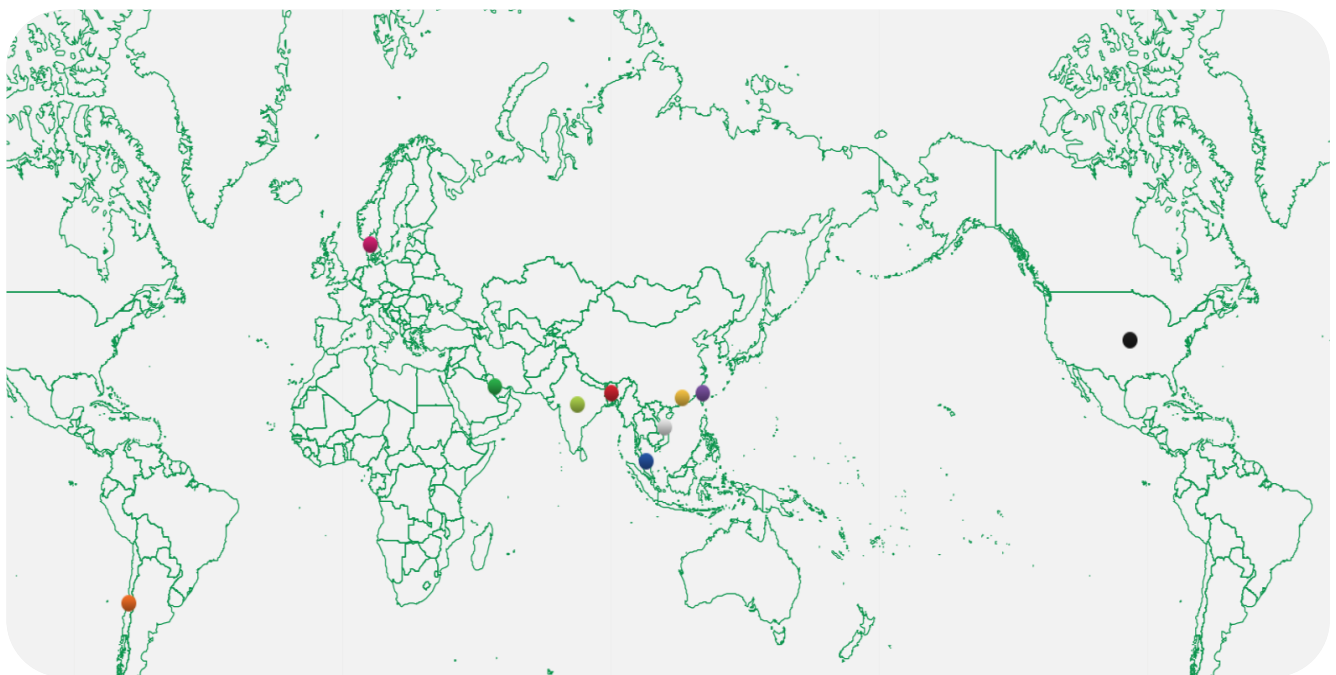
The following is the breakup of the top ten customers/suppliers of our Company for the Fiscal 2021, 2020 and 2019 are as follows:

(₹ In Million)

Particulars*	FY 2020-21		FY 2019-20		FY 2018-19	
	Amount	In %	Amount	In %	Amount	In %
Customers						
Top 5 Customers	4212.50	80.57%	4331.06	82.11%	2777.70	70.65%
Top 10 Customers	4609.68	88.17%	4838.60	91.73%	3246.82	82.58%
Suppliers						
Top 5 Suppliers	2137.03	41.02%	1937.04	41.33%	2066.89	54.16%
Top 10 Suppliers	3105.80	59.61%	2810.73	59.97%	2691.31	70.52%

* as certified by Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022

Customer Relationship across geographies



● Hongkong ● India ● Vietnam ● Taiwan ● Bangladesh ● Malaysia ● Denmark ● Chile ● USA ● Qatar

Our Strengths:

Our market position as manufacturer and exporter in the fast-growing fish meal industry

For fiscal year 2020, the Company was the largest exporter of fish meal and fish oil from India in value terms. Our Company has also received awards from MPEDA for six consecutive years (fiscal years 2017, 2016, 2015, 2014, 2013, 2012) for being among the major exporters (in value terms) of dried marine products from India. Our market position and reputation as a quality manufacturer of fish meal and fish oil has driven our revenue growth. We exported 34,433 MT, 38,498 MT, 29,450 MT of fish products in Fiscal 2021, Fiscal 2020, Fiscal 2019 respectively (*Source: CRISIL Report**). The table below represents the contribution of manufactured products to our revenue from operations in the periods indicated:

Particulars	September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Value (in Million)	49.33	2,826.96	3,025.42	2,521.07
Volume (in MT)*	600	34,433	38,559	29,491

* the volume as stated in the above table consists of Fish Meal, Fish Oil and Fish Soluble Paste whereas Fish Meal and Fish Oil has been considered in CRISIL Report

Our established presence in this fast-growing fish meal industry provides us with a significant competitive advantage and we are well positioned to leverage our strengths towards the expected growth in the industry.

We attribute our growth and continuing success to the following competitive strengths:

Fish Meal as an essential ingredient for shrimp production:

Shrimps are among the most popular seafood in Europe, Japan and the US. Strong demand from these markets has led to a significant increase in aquaculture activity in India. Over the past decade, from fiscal 2012 to 2021, Shrimp exports from India, recorded a 17% CAGR in value terms, and 13% CAGR in volume terms. Therefore, there is a constant demand for fish meals and fish oils in the shrimp feed industry. (Source: CRISIL report) Being among India's leading producer of fish meal, fish oil and fish soluble paste in India. We sell our products to various shrimp feed manufacturers like Avanti Feeds Limited. We serve a host of clients spread across India, Hongkong, Vietnam, Taiwan, Bangladesh, Malaysia, Denmark, Chile, USA, Qatar etc.

Our high-volume procurement capabilities are a significant advantage. Due to the scale of our operations and global sales, we are able to produce large quantities of fish meal, fish oil and fish soluble paste in different quantities, which has resulted in the development of our long-standing relationship with customers.

Our mission and devotion to the progress of society and to work towards change, advance our technical skills, develop our ability to conceive new ideas to explore environmentally sustainable operations has provided us with a significant competitive advantage.

We operate in an industry which has a large addressable market with long-standing relationships with key end customers

With our ability to expand product portfolio, improve product applications, ease of handling, design and packaging of our products, we have established strong and long-standing relationships with our end customers in the aquaculture industry, that has helped us to expand our products and geographical reach.

We have established a strong relationship with distribution partners overseas and we continue to expand the products range distributed through them. Our Company over the last few years have expanded sale of products across the globe and strives to increase sales in key markets globally. With these endeavours, we believe we have developed strong recognition and consumer loyalty in our key markets.

We have a dedicated sales team positioned across the country and are responsible for securing business relationships with key end customers, strengthening ties with existing customer base and further expanding the reach of our products. Over the years, our team along with a pan India distribution network has successfully built a long-standing relationship with our major end customers. Our sales team works closely with end customers to understand their specific requirements which enables us to develop products which suit their requirements.

Our Company is well positioned to take advantage of the growing demand and expanding addressable market for Fish Meal in the domestic and overseas market. We believe these growth drivers will enable us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale, thereby ensuring a competitive cost structure to achieve sustainable growth and profitability.

Our world class quality certified plant in strategic locations of India

We are committed to protecting and improving the environment and abide by the laws & regulations concerning the environment. We are firmly committed and have adopted the principle of HACCP System in our processing plants for processing and supply of marine foods. In order to develop an effective HACCP design, implementation and management of HACCP Plan, we have focused on the following aspects:

Management commitment:

- HACCP training
- HACCP team assembly
- Description of intended use of product
- Development and verification of product flow diagram

Our HACCP team members have evaluated and made onsite verification of plant layouts, personnel flow, installation of equipment, maintenance, location of rooms (change room, rest room, storeroom, subcontract services (pest control, waste

management), pre-requisite program of cleaning and disinfections, practices of personnel on food hygiene & food safety (including visitors and external services providers), products descriptions, process flow charts, packaging, dispatch, etc. which are found to be accurate, systematic and has no adverse effect on food products. Right from raw material selection to the processing stage to the final product, constant quality checks are carried out.

Our customers require that the processing facilities from where fish meal, fish oils and fish soluble paste is produced are certified by various regulatory authorities such as, the MPEDA, EIA etc. Our ability to meet customers' stringent quality requirements and delivery schedules, maintain our relationship as a key supplier, and develop long-term relationships with many of our key customers, enables us to continue to retain business from our customers. Our established customer base has been instrumental in our success to date, and will be an integral driver for future growth.

Our In-House Research & Development (R&D)

Our constant efforts towards improving the effectiveness of our Quality Management Systems.

Our R&D team has introduced a unique method for blending of different protein levels of fish meal to produce desired protein level as per customer's requirement.

Our R&D team has further introduced a unique method for the extraction of unsaturated fat from fish meal. Under this process, fish fats shall be extracted from high fat fish meal and refined into fish oil. The process of fat extraction converts low protein fish meal into super prime fish meal with high protein content. This method is called Solvent Extraction method.

The demand for the Super-prime grade fish meal is very high in China which is currently met by exports from Peru. Our locational advantage will enable us to export the Super-prime grade fish meal to China and Europe thereby increasing our exports.

Well-equipped and automated manufacturing facilities

We currently operate multiple manufacturing facilities in India. Our manufacturing capabilities are vertically integrated with design and development being carried out in-house. All our manufacturing facilities are well complemented with advanced automation technologies. Our manufacturing processes are automated and certain other technologies that have been developed in collaboration with our overseas partners. Our automation lines help improve product cost efficiencies and output. Our semi-automation process is primarily designed to ensure that the complete production process is less human touch which in turn helps to achieve the desired quantity levels required.

We have a continued focus on using high end and precision tooling which ensures consistent production of quality products.

Our Company has a robust QA and QC process with dedicated laboratory for raw material and product testing. Our statistical process controls help us to ensure consistent dimensions of our products and in-line finishing inspections ensure compliance with the quality standards. Our manufacturing units are well equipped with experienced and qualified staff to carry out quality checks and inspections at all stages of the manufacturing process. We became an ISO 9001:2015, HACCP and ISO 22000:2018 accredited manufacturing entity in the years 2011, 2014 and 2016, respectively.

We believe that we enjoy a competitive advantage due to our robust manufacturing capabilities that enables us to manufacture quality products for supply in Indian and overseas markets.

Strategic location of our manufacturing facilities

Being located in the state of Karnataka and Gujarat provides us with a significant locational advantage. Our manufacturing facility in Mangalore is located along the coastline which provides easy access to the procurement of pelagic fishes such as Sardine, Mackerel, Anchovy etc. Our strategically located processing facilities ensure adequate and cost-effective supply of pelagic fishes, our primary raw material, as well as transportation of finished products, thereby enabling us to leverage economies of scale. We also have manufacturing plants in Oman, Middle East through our Subsidiary Company.

Wide geographic reach through our pan India sales and distribution network

Our Company has a presence in the overseas market making us one of the few Indian players to have a global reach in the Fish Meal market (*Source: CRISIL Report*). As of Fiscal 2021, our Company supplied products to over 10 countries. In the Fiscal 2021, we derived ₹ 2826.96 million from sale of goods (Standalone Basis) with end customers in the overseas markets, representing 54.03% of revenue from our operations.

We believe our pan India distribution network is a key competitive advantage for us as and enable us to serve our overseas customers and markets in an efficient and timely manner.

Revenue Breakup – As per standalone financial statements

Particulars	September 30, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations
Domestic Sales								
• Fish Meal	2,237.72	92.34%	2,103.45	40.21%	2,216.82	41.94%	1,370.63	34.78%
• Fish Oil	77.97	3.22%	219.88	4.20%	15.03	0.28%	22.37	0.57%
• Fish Soluble Paste	54.68	2.26%	77.79	1.49%	17.56	0.33%	17.49	0.44%
• Others	2.08	0.09%	3.54	0.07%	1.31	0.02%	2.47	0.06%
Export Sales								
• Fish Meal	49.33	2.04%	2,818.95	53.88%	2,943.11	55.68%	2,440.96	61.93%
• Fish Oil	-	-	8.01	0.15%	82.32	1.56%	78.40	1.99%
• Fish Soluble Paste	-	-	-	-	-	-	1.71	0.04%
• Others	1.60	0.09%	-	-	9.78	0.18%	7.21	0.18%
Total Sale of Products	2,423.38	100%	5,231.62	100%	5,285.92	100%	3,941.25	100%

* as certified by Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022

Experienced Promoter backed by Strong Management Team

We have a strong management team with significant industry experience. We are led by our second-generation Promoters Kalandan Mohammed Haris is having experience of more than 20 years. He conceptualized and promoted Indian Fish Meal Association and developed strong linkages with IFFO, the Marine Ingredients Organisation. Kalandan Mohammad Arif has experience of more than 18 years, is responsible for strategic sourcing of fish and supply chain operations and handles the day-to-day plant operations of the Company. Kalandan Mohammed Althaf having experience of more than 18 years looks after the international business development, sales and marketing and is instrumental in handling the finance and banking relationships of the Company. The experience of our Promoters helps us in assessing market opportunities, estimating future potential of our products, and positioning ourselves in the market accordingly.

The combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities.

Financial stability and stable cash flows:

Our financial stability and steady operational cash flows enable us to meet the present and future product needs of our clientele. Our strong balance sheet and financial performance gives our customers, the confidence that we will be able to support them with our products in terms of both capabilities and capacities. Over the years, we have significantly invested in R&D, and dedicated infrastructure to support the growing needs of our customers. Our ability to make these investments helps strengthen trust and engagement with our customers, which enhances our ability to retain them and extend our engagement with various other parties based on their recommendation.

BUSINESS STRATEGY

Strengthening our foothold in our existing markets and expanding our product portfolio

Our business strategy is to focus on the supply side of Fishmeal sector and enhance our fish procurement and processing capacity by deploying additional working capital for sourcing raw fish from across various strategically important fish landing hotspots in India, the Middle East and other parts of the globe.

Working capital will be deployed for raw material procurement at discounted rate by making payments upfront there by reducing cost and improving margins.

We also have a strong focus to scale up our insect meal production capabilities and thereby emerge as a key player across the full spectrum of animal protein and aqua feed industry.

With the growing demand in the animal protein segment, there is an immense potential for scaling up production to cater domestic as well as international markets.

Increasing our global footprint in the overseas market

China is the leading producer of aquaculture meat and a leading consumer as well, with per capita consumption of seafood at 35 kg per year as of CY 2020 estimates and a 34% share in the global seafood consumption basket. Our existing scale of operations and reputation as a quality fish meal, fish oil and fish soluble paste producer will allow us to capitalize on growth in the China markets. We anticipate that these factors will allow us to capitalize on expected growth in the China fish feed industry. (Source: CRISIL report)

Enhancing our utilization capacities in existing product categories to leverage industry growth drivers:

Over the years we have increased our production capacities through consistent growth and innovation. Enhanced raw material procurements will drive higher plant utilisation in all our strategically located plants. We believe that our strong presence in the global market positions us well to capitalise on the anticipated growth in demand for our core products.

Pursue strategic inorganic growth opportunities:

We continue to evaluate strategic inorganic growth opportunities in India and in international markets, consistent with our strategy to further grow and develop our market share and product portfolio. We will pursue opportunities where such acquisitions or arrangements will add value to our business, stakeholders and customers. These inorganic growth opportunities may include acquisitions, joint ventures, strategic partnerships as well as acquisition of brands and / or processing facilities. We continue to target strategic acquisition opportunities that will enable increased access to customers and enable us to consolidate our market position with an extensive sales and distribution network.

Continue to focus on enhancements in technology:

Our technological capabilities play a key role in helping us effectively manage our operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. We have made investments in technology over the past several years. We intend to continue to acquire technology systems to increase asset productivity, improve operating efficiencies, and strengthen our competitive position.

COLLABORATIONS

As on date of this Draft Red Herring Prospectus, we have not entered into any technical or financial collaborations or agreements and have not availed or provided a performance guarantee.

CAPACITY AND CAPACITY UTILIZATION

Set forth below is the detail of the installed and utilized capacity for each product for the last three years.

Fish Meal:

Particulars of Manufacturing Unit	March 31, 2021	March 31, 2020	March 31, 2019
Installed Capacity (MTPA)*	36000.00	36000.00	36000.00
Production Volume (MTPA)#	10781.61	8269.30	6557.86
Capacity Utilization (%)	29.95	22.97	18.22

Fish Oil:

Particulars of Manufacturing Unit	March 31, 2021	March 31, 2020	March 31, 2019
Installed Capacity (MTPA)*	9000.00	9000.00	9000.00
Production Volume (MTPA)#	936.85	790.72	506.89
Capacity Utilization (%)	10.41	8.79	5.63

Fish Soluble Paste:

Particulars of Manufacturing Unit	March 31, 2021	March 31, 2020	March 31, 2019
Installed Capacity (MTPA)*	10800.00	10800.00	10800.00
Production Volume (MTPA)#	1060.25	524.73	747.68
Capacity Utilization (%)	9.82	4.86	6.92

* As Certified by Independent Chartered Engineer (Mechanical) vide Certificate no. 043/CEC/21-22 dated February 23, 2022.

As certified by the Management of the Company vide their Certificate dated March 16, 2022

Quality Assurance within our manufacturing facilities

All our products are manufactured following our standard operating procedures for each category of our products. At each stage of the manufacturing process, inspections of the components and the final product are carried out, following our standard quality assurance procedure. All the manufacturing parameters, control and testing devices are checked and calibrated with higher frequency.

All the products are passed through standard testing and verification procedure according to related quality assurance procedure. Related documents and test results are reviewed and after meeting the specified limits, are allowed to be used in the process line. Further, all process parameters such as Hygiene, Cleanliness, required Texture etc. as per the standards, and verified in accordance with the quality assurance procedure.

The quality assurance team carries out frequent checks on the process and product specifications as per our quality assurance plans, prepared and issued by the technical team. Further, the finished products, which are approved by the quality assurance team are passed on for finishing and inspection which ensures that the product meets industry standards.


We undertake multiple stringent quality checks and have been awarded Product and Process certification by SGS The Netherlands and Quality Management System (QMS) – ISO 9001:2015 by NQA Certification Limited of United Kingdom, Food Safety Management System (FSMS) – ISO 22000:2018 by NQA Certification Limited of United Kingdom and Hazard Analysis and Critical Control Points (HACCP) by NQA Certification Limited of United Kingdom.

INTELLECTUAL PROPERTY

Trademark Registration:


We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database, website content and technology.

Our Company is using trademark logo which is owned by Mukka Sea Food Industries Private Limited. Our Company's logo is registered under the Trade Mark Act as per below details.

Sl. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1.		29 [^]		Mukka Sea Food Industries Private Limited	2527129	08/05/2013	Registered

[^] The Logo is registered as "Mukka Sea Food Industries Private Limited" under category for Meat, Fish, Poultry and Game, Meat Extracts, Dried, And Cooked Fruits, Jellies, Jams, Eggs, Edible, Oils, Milk and Milk Products.

Another application for Registration of Trademark has been made on 09/11/2021 under The Trade Marks Act' 1999 as per below details:

Sl. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1.		31 [^]	Device	Kalandan Mohammed Haris	5202709	09/11/2021	Objected

[^] An application for registration of the trademark was made by the Promoter Kalandan Mohammed Haris ("Original Applicant") under category Agricultural, horticultural and forestry products and grains not included in other classes; live animals; fresh fruits and vegetables; seeds, natural plants and flowers; foodstuffs for animals, malt. Subsequently, the Company has filed FORM-TM before the Registrar of Trademark dated March 01, 2022 to amend the application for registering the trade mark by citing a clerical error in the application thereto. The filed Form TM-M to enter the Company's name as the proprietor of the trade mark instead of the Original Applicant. The application is presently objected under Section 11(1) of the Trade Mark Act,1999 before the Registrar of Trade Marks. The Company has filed a response/reply dated December 21,2021 to the examination report dated December 09, 2021 within 1(one) month of the date of receipt of this examination report.

MATERIAL PROPERTIES

The following table sets forth the list of our properties:

Freehold Properties

Sl. No.	Particulars of the Property	Usage
1.	Plot No. 140/C (P) of Baikampady Industrial Area, situated in Sy. No. 85 of Baikampady Village, Surathkal Hobli, Mangalore Taluk, D.K District containing by admeasurement 2529.38 sq. mtrs. (62.50 cents) with building bearing Door No. 6-82	Blending
2.	Non-Agricultural immovable property situated in Surathkal Village of Mangalore Taluk within Mangalore City Corporation and within the registration Sub District of Mulki comprised in Sy. No. 12/12 (As per RTC 12/12P1) admeasuring 21 cents (849.84 Sq. Mtrs.)	Vacant
3.	Immovable properties held on Warg right situated in 85-A, Jappinamogaru Village of Mangalore Taluk, Falnir ward, Mangalore City Corporation and within the registration Sub-District of Mangalore City, District of Dakshin Kannada comprised in R.S.No. 1/2A1B, 1/1A, T.S.No. 731/2A1B (as per RTC 731/2A1B2P2), 731/1A (as per RTC 731/1AP2) admeasuring 11 cents	Commercial Premises given on Rent

Sl. No.	Particulars of the Property	Usage
	containing a multi-storeyed commercial building consisting of a Basement Floor, Ground Floor and 3 upper floors bearing Door Nos. 17-3-124/1, 17-3-124/2, 17-3-124/3, 17-3-124/4 and 17-3-124/5 together with all easementary and mamool rights of way, water etc.	
4.	Non-Agricultural immovable property situated in Surathkal Village of Mangalore Taluk within Mangalore Taluk within Mangalore City Corporation, within registration of Sub-District of Mulki, comprised in Survey No. 12/12P (as per khata 12/12P3), Khata No. 4024 admeasuring 1254.53 sq. mtrs. (31 cents) with all easementary rights of way and water appurtenant thereto	Vacant Premises
5.	Non-Agricultural immovable properties, held on Mulageni Right, situated at No.49, Surathkal Village, Mangalore Taluk, 1 km away from main road, Mangalore City Corporation, within registration of Sub-District of Mulki of Dakshin Kannada District comprised in R.S.No. 12-3 (As per R.T.C 12-3A), 12-3 (as per R.T.C. 12-3A for 38 cents, 12-3B for 08 cents with a factory building bearing Door NBo.s: 14-161, 14-162 14-163, 14-164 right of way and all mamool and easementary rights appurtenant thereto.	Factory Premises
6.	Non-Agricultural immovable property situated in Attavar Village of Mangalore Taluk, Milagres ward of Mangalore City Corporation, Mangalore City Sub-District of Mangalore City, comprised in R.S.No. 172-2, T.S.No. 14/2(D) admeasuring 10.5 cents Consisting of Single storeyed RCC residential house (Ground Floor and First Floor) bearing Door No. 18-02-16/4 and all easementary rights of way and water appurtenant thereto admeasuring 940 sq. ft.	Corporate Office
7.	Building bearing Door, no 6-83, 6-84, situated in Plot No 139/A2 measuring 4053 sq meters in R S No 124 /P at Baikampady Industrial Area, Baikampady village, Manglore taluka within the Registration Sub-District of Mangalore	Blending and Warehouse

Leasehold Properties

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Leave and License Agreement dated January 01, 2021 between Air Inn Priavate Limited (“Licensor”) and Mukka Sea Food Industries Private Limited (“Licensee”)	Office premises on the 7 th Floor of the building Star Hub Building No. 1 Near ITC Maratha Hotel, Sahara, Andheri (East), Mumbai-400059 admeasuring about 5128.09 sq. mtrs. comprising Survey No. 29, 29, 29, 29, 100, 30, Hissa No. 5 (Part), 4 (Part), 14 (Part), 4 (Part), 1 (Part), 4 (Part), C.T.S.No. 191 (Part), 221 (Part), 223, 224, 225, 226 (Part)	1 st year: ₹ 2,77,443/- p.m. 2 nd year: ₹ 3,27,443/- p.m. 3 rd year: ₹ 3,43,815/- p.m. 4 th year: ₹ 3,61,005/- pm 5 th year: Rs 3,79,056/- pm	36 (thirty-six) months commencing from January 01, 2021 upto December 31, 2025.	Commercial purpose and office only.
2.	Leave and License Agreement February 16, 2022 between Progress Dry Fish (“Licensor”) and Mukka Sea Food Industries Private Limited (“Licensee”)	Plot No. 58, Javar Naka, Porbandar admeasuring 3980 sq. mtrs. Area with 17000 sq. ft. RCC area	₹ 50,000/- plus GST per month	5 (five) years starting from February 16, 2022 upto February 15, 2027	Blending and Warehouse

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
3.	Memorandum of Understanding dated November 24, 2020 between Honest Dry Fish (“ First Party ”) and Mukka Sea Food Industries Limited (“ Second Party ”)	Measuring 4360 sq. mtrs. situated at Jawar Naka, Opp. Silver Cold Storage at Porbandar – 360575	₹ 3,50,963/- plus GST per month	5 (five) years starting from November 24, 2020 upto November 23, 2025	--
4.	Rent Agreement dated August 13, 2021 between Mr. Kalandan Mohammad Haris (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Residential premises situated at Survey No. 91-1P and 46-2(P), Umayya Retreat, Santosh Nagar, 3 rd Cross Road, Kuthar, 95, Permannur, Mangalore, Dakshina Kannada	₹ 20,000/- per month	11 months commencing from August 13, 2021	Residential Use
5.	Rent Agreement dated August 13, 2021 between Haris Marine Products Private Limited (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Plot(s) No.139A1 (P1) in Mangalore, Baikampady Industrial Area, situated in S.No 85 and 124 of Baikampady village of Mangalore Taluk Sub Registration District admeasuring area approx. 24,430 sq.ft of land inclusive of covered industrial sheds of total covered area of 24,968 Sq ft	₹ 75,000/- per month	11 (eleven) months commencing from August 13, 2021.	Blending and Warehouse
6.	Rent Agreement dated August 13, 2021 between Haris Marine Products Private Limited (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	D. No.14-158, 14-159 and 14-160 and R.S. No. 203/5 of Surathkal Village of Mangalore Taluk Sub Registration District of D.K District, total measuring structured area approx, 400 sq. ft.	₹ 15,000/- per month	11 (eleven) months commencing from August 13, 2021.	Manufacturing of Fish Meal & Fish Oil
7.	Rent Agreement dated August 31, 2021 between Mr. K. Abdul Razak (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Immovable Property situated at Surathkal Village of Mangalore Taluk within the registration Sub district of Mulki and comprised in Sy. No. 12-12 (part) as per document, Sy. No. 12-12P4 as per R.T.C. admeasuring 30 cents (out of 41 cents)	₹ 5,000/- per month	11 (eleven) months commencing from August 31, 2021	Manufacturing of Fish Meal & Fish Oil
8.	Rent Agreement dated August 31, 2021 between Mr. Kalandan Mohammad Arif (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Immovable Property situated at Surathkal Village of Mangalore Taluk, Dakshina Kannada District within the registration Sub district of Mulki and comprised in 5 cents land and House bearing Building No. 15-5/3 with all mamool road right inclusive of timber and trees	₹ 5,000/- per month	11 (eleven) months commencing from August 31, 2021	Accommodation of Labour
9.	Rent Agreement dated August 09, 2021 between Mr. K. Abdul Hameed (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Immovable Property situated at Surathkal Village of Mangalore Taluk within the registration Sub district of Mulki and comprised in Sy. No. 12-12 (part) as per document, Sy. No. 12-12P4 as per R.T.C. admeasuring 10 cents (out of 41 cents)	₹ 3,000/- per month	11 (eleven) months commencing from September 01, 2021	Manufacturing of Fish Meal & Fish Oil

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
10.	Rent Agreement dated October 22, 2021 between Dr. Umar. N. (“ Lessor ”) and Mukka Proteins Limited (“ Lessee ”)	Residential Apartment No. 303, measuring 1650 sq. ft. on the third floor of the Apartment Complex known as “ZEPHYR HEIGHTS”, situated at Attavar, village of Mangaluru Taluk	₹ 12,500/- per month	11 (eleven) months commencing from October 15, 2021	Accommodation for Employees
11.	Leave and License Agreement dated November 25, 2020 between Atlantic Marine Products Private Limited (“ Licensor ”) and Mukka Sea Food Industries Limited (“ Lessee ”)	Plot No. 2, Survey No. 85, Jafrabad Road, Mitiyala, Jafrabad, Amreli – 365540 admeasuring 1440.92 sq. mtr. Industrial area RCC area	₹ 60,000/- plus GST per month	5 (five) years commencing from November 25, 2020 to November 24, 2025	Warehouse

Leased Out Properties

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Agreement dated November 05, 2020 between Mukka Sea Food Industries Limited (“ Lessor ”) and Axis Bank Limited (“ Lessee ”)	Immovable Property held on warg right situated in 85A, Jappinamogaru Village of Mangalore Taluk, Falnir ward of Mangalore City Corporation and within the registration sub district of Mangalore City District of Dakshina Kannada and comprised in Item No. (1) R.S.No. 1/2A1B, T.S.No. 731/2A1B, as per RTC 731/2A1B2P2 bearing D. No. 17-3-124/5 and Item No. (2) R.S.No. 1/2A1, T.S. No. 731/1A as per RTC 731/1AP2 bearing D. No. 17-3-124/1, 17-3-124/2, 17-3-124/3, 17-3-124/4, 17-3/124/5 containing a multi storied commercial consists of a Basement Floor, a Ground Floor and three upper floors together with all elementary and mamool right of way, water etc.	1 st – 3 rd year: ₹ 1,65,313/- p.m. 4 th – 6 th year: ₹ 1,90,110/- p.m. 7 th – 9 th year: ₹ 2,18,626/- p.m.	9 years starting from December 05, 2020 to December 04, 2029	Banking and allied business
2.	Rent Agreement dated August 13, 2021 between Mukka Proteins Limited (“ Lessor ”) and Ento Proteins Private Limited (“ Lessee ”)	Office Premises bearing Door No. 18-2-16/4(3), 3 rd Floor, Mukka Corporate House, 1 st Cross, NG Road, Attavara, Mangalore – 575001	₹ 3,000/- per month	11 (eleven) months commencing from August 13, 2021	Office use
3.	Rent Agreement dated October 18, 2021 between Mukka Proteins	Office Premises at Mukka Corporate House, 1 st Cross, NG Road, Managalore – 575001	₹ 1,000/- per month	11 (eleven) months commencing	Office use

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
	Limited (“ Lessor ”) and Umayya Foundation (“ Lessee ”)	within the limits of Mangalore City Corporation		from October 18, 2021	
4.	Lease Agreement dated September 23, 2021 between Mukka Proteins Limited (“ Lessor ”) and Mr. Wilson Baptist Fernandes (“ Lessee ”)	Office Premises in the 3 rd Floor, bearing D. No. 17-3-124/5 measuring 1812 sq. ft. in the commercial complex named Metro Plaza, situated at Valencia, Mangalore in the immovable properties situated at 85A Jeppinamogaru Village, Mangaluru Taluk, Falnir Ward comprised in R.S.No. 1/2A1B, 1/1A, T.S.No. 731/2A1B (731/2A1B2P2 as per RTC), 731/1A (731/1AP2 as per RTC)	₹ 30,000/- per month	5 (five) years commencing from October 01, 2021 to September 30, 2022	To run Manpower Placement and Recruitment
5.	Rent Agreement dated October 18, 2021 between Mukka Proteins Limited (“ Lessor ”) and Haris Marine Products Private Limited (“ Lessee ”)	Office Premises situated at 18-2-16/4(2) Mukka Corporate House, 1 st Cross, NG Road, Managalore – 575001 within the limits of Mangalore City Corporation	₹ 50,000/- per month	11 (eleven) months commencing from August 09, 2021	Office use
6.	Rent Agreement dated October 18, 2021 between Mukka Proteins Limited (“ Lessor ”) and Ocean Proteins Private Limited (“ Lessee ”)	Office Premises situated at 18-2-16/4(5) Mukka Corporate House, 1 st Cross, NG Road, Managalore – 575001 within the limits of Mangalore City Corporation	₹ 1,000/- per month	11 (eleven) months commencing from October 21, 2021	Office use
7.	Rent Agreement dated October 18, 2021 between Mukka Proteins Limited (“ Lessor ”) and Shipwaves Online Private Limited (“ Lessee ”)	Office Premises situated at 18-2-16/4(3) Mukka Corporate House, 1 st Cross, NG Road, Managalore – 575001 within the limits of Mangalore City Corporation	₹ 25,000/- per month	11 (eleven) months commencing from August 13, 2021	Office use
7.	Lease Agreement dated August 01, 2021 between Mukka Sea Food Industries Limited (“ Lessor ”) and Atlantic Marine Products Private Limited (“ Lessee ”)	200 Ton/24 H Fish Meal Dryer Plant	₹ 60,000/- per month	5 (Five) years commencing from August 01, 2021	Factory Use
8.	Rent Agreement dated December 04, 2021 between Mukka Proteins Limited (“ Lessor ”) and K Suraj Shetty (“ Lessee ”)	Commercial Premises bearing City Corporation bearing Door No. 17-3-124/3, 17-3-124/3(1) & 17-3-124/3(2) on the First Floor of the Commercial Complex known as METRO PLAZA, situated as Jeppinamogaru Village of Mangalore Taluk Falnir Ward of	₹ 55,000/- per month	11 (eleven) months commencing from November 01, 2021	Running Fitness Centre (GYM)

Sl. No.	Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
		Mangalore City Corporation, Valencia, Mangalore – 575002			
9.	Rent Agreement dated February 17, 2022 between Mukka Proteins Limited (“Lessor”) and Ento Proteins Private Limited (“Lessee”)	Plot No. 140C(Part) in Mangalore Baikampady Industrial Area, situated in S. No. 85 and Door No. 6-82 of Baikampady village of Mangalore Taluk Sub Registration District of D.K. District measuring about 1000 sq.ft.	₹ 1,00,000/- per month	11 (eleven) months commencing from March 01, 2022	Office use

Competition:

The industry in which we operate is sophisticated, characterized by a strong presence of multinational companies. Given the nature and breadth of our product, we have a limited number of competitors globally, however, we face competition, both domestically and internationally, and from organized as well as unorganized players. Key factors in competition include quality, distribution network, pricing, timely delivery, product development and management and industry relationships. Following are some of our established competitors for certain of our products:

Product	Competitor
Fish Meal	TJ Marine Products Private Limited Arbee Aquatic Protein Private Limited Akash Fishmeal and Fish Oil Private Limited Janatha Aqua Products Private Limited Omega Fishmeal and Oil Private Limited
Fish Oil	TJ Marine Products Private Limited Arbee Aquatic Protein Private Limited Akash Fishmeal and Fish Oil Private Limited Janatha Aqua Products Private Limited Omega Fishmeal and Oil Private Limited
Fish Soluble Paste	TJ Marine Products Private Limited Arbee Aquatic Protein Private Limited Janatha Aqua Products Private Limited Omega Fishmeal and Oil Private Limited

Source: CRISIL Report

Human Resources:

An effective and efficient human resource are a key to the success of any organization and our Company has been well focused in adopting the best standards in the industry which not only gives us the benefit of attracting good talent but gives us an edge towards providing best qualitative services to our customers. Our manpower is a mix of experienced and young talent pool of resources which gives us the dual advantage of stability and growth. Our work processes and /skilled resources together with our strong management team have enabled us to successfully implement our growth plans. Our dedicated staff members are the backbone of our successes and none of the milestones would have been possible without immense contribution and dedication on their part. The details of department wise number of employees are given here below:

Department	No. of Employees
Whole Time Director	2
Company Secretary	1
Accounts & Finance	17
Corporate Office Management	5
Factory Office Management	3
Exim Department	4
House Keeping	17
Human Resource Department	1
Information Technology	3
Logistic	5
Maintenance	27
Production	66
Raw Fish Purchase Department	5
Purchase	1
Quality Control	19
Security	4
Store Management	1
Warehouse Management	65
Total	246

The management of Mukka Proteins Limited plays an imperative role in developing a cordial and rewarding relationship with its employees. We are committed to being the employer of choice, attracting and retaining the best of professionals. By developing a structure, systems and a workplace culture that provides challenging jobs, rewards performance and delivers opportunities continuously, the group is striving to get the best out of its most valuable asset - its people. Powering that quest is an entire range of human resource initiatives aimed at realizing its potential.

Health, Safety and Environment

We aim to comply with applicable health, safety and environmental legislation and other requirements in our operations. We aim to minimize the adverse impact of our products and activities on the environment, maintain ecological balance and protect biodiversity near our manufacturing facilities. Further, we aim to comply with legislative requirements, requirements of our licenses, approvals, various certifications and ensure the safety of our employees and people working in our manufacturing facilities or under our management.

The key elements of our safety management initiatives include the formulation and implementation of the health and safety policy, planning of activities to achieve health and safety for our personnel, monitoring and review of performance and external and internal safety audits. Suitable risk mitigating measures are taken in advance to ensure that the business is conducted in a risk conscious manner. We ensure adequate training sessions are conducted for every new recruit prior to their involvement in any kind of manufacturing process. Our workers are covered under ESIS under the Employees' State Insurance Act, 1948 thereby entitling them to medical services for themselves and their immediate families. We have also obtained insurance policies to insure employees or workers who are not protected under ESIS. We are committed to achieving sustainability in our operations through meaningful initiatives and policies.

Insurance:

We have obtained insurance policies in respect of our business and operations, products, inventories, plant and machinery, buildings, equipment, vehicles, employees and other assets.

In particular, we have obtained following key coverages: (a) Standard Fire & Special Perils policy (b) Bharat Sookshma Udyam Suraksha policy (c) Bharat Laghu Udyam Suraksha (d) Car Insurance policy (e) Shipment Policy; Further, we have also obtained, workmen compensation, group personal accident insurance, group health insurance policy for our workers, employees and directors.

The details of insurance policies are as under:

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
0000000024112 912	Standard Fire & Special Perils	From: 29/08/2021 To: 28/08/2022	Storage of Hazardous Goods	SBI General Insurance Company Limited	₹ 950.00 million
0000000024140 212	Bharat Sookshma Udyam Suraksha	From: 29/08/2021 To: 28/08/2022	Storage of Hazardous Goods	SBI General Insurance Company Limited	₹ 300.00 million
OG-22-1702-4057-00000001	Bharat Laghu Udyam Suraksha	From: 08/04/2021 To: 07/04/2022	Plant & Machinery, Factory Building, Administrative Building, Furniture & Fixtures, Lab Equipment	Bajal Allianz General Insurance Company Limited	₹ 280.00 million
2415001121P11 0276186	United Bharat Laghu Udyam Suraksha Policy	From: 11/01/2022 To: 10/01/2023	Building, Plant & Machinery, Furniture & Fittings	United India Insurance Company Limited	₹ 78.50 million
D047907026	Bharat Sookshma Udyam Suraksha	From: 01/10/2021 To: 30/09/2022	Storage of Hazardous Goods	Go Digit General Insurance Ltd	₹ 30.00 million
D047905872	Bharat Sookshma Udyam Suraksha	From: 01/10/2021 To: 30/09/2022	Storage of Hazardous Goods	Go Digit General Insurance Ltd	₹ 20.00 million
OG-22-1702-4057-00000094	Bharat Laghu Udyam Suraksha	From: 07/03/2022 To: 06/03/2023	Building with PNF	Bajal Allianz General Insurance Company Limited	₹ 85.00 million
OG-22-3838-1801-00000073	Private Car Package	From: 30/10/2021 To: 29/10/2022	Vehicle Insurance	Bajal Allianz General Insurance Company Limited	₹ 4.53 million
6809013121030 0009594	Commercial Vehicle Package	From: 12/11/2021 To: 11/11/2022	Vehicle Insurance	The New India Assurance Co. Ltd.	₹ 0.65 million
6809013121010 0010003	Commercial Vehicle Package	From: 19/11/2021 To: 18/11/2022	Vehicle Insurance	The New India Assurance Co. Ltd.	₹ 0.72 million
2311/63735550/ 00/000	Private Car Package	From: 08/05/2021 To: 07/05/2022	Vehicle Insurance	Maruti Insurance Broking Private Limited	₹ 0.45 million
6809013121010 0014226	Commercial Vehicle Package	From: 14/02/2022 To: 13/02/2023	Vehicle Insurance	The New India Assurance Co. Ltd.	₹ 0.65 million
6809013121010 0014226	Commercial Vehicle Package	From: 15/02/2022 To: 14/02/2023	Vehicle Insurance	The New India Assurance Co. Ltd.	₹ 0.29 million
6809023121010 0000742	Private Car Package	From: 31/05/2021 To: 30/05/2022	Vehicle Insurance	The New India Assurance Co. Ltd.	₹ 0.15 million
VPC108581400 0103	Private Car Package	From: 26/02/2022 To: 25/02/2023	Vehicle Insurance	Royal Sundaram General	₹ 1.55 million

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
VPC118688400 0102	Private Car Package	From: 01/09/2021 To: 31/08/2022	Vehicle Insurance	Insurance Co. Limited Royal Sundaram General Insurance Co. Limited	₹ 0.34 million
VPC133517500 0101	Private Car Package	From: 22/06/2021 To: 21/06/2022	Vehicle Insurance	Royal Sundaram General Insurance Co. Limited	₹ 1.46 million
2021032000240 45	Private Car Policy (Bundled)	From: 20/03/2021 To: 19/03/2024	Vehicle Insurance	HDFC ERGO General Insurance Company Limited	₹ 3.11 million
2315204211092 700000	Motor Insurance – Goods Carrying Comprehensive Policy	From: 08/07/2021 To: 07/07/2022	Vehicle Insurance	HDFC ERGO General Insurance Company Limited	₹ 0.75 million
TSB/30297078	Private Car Policy (Bundled)	From: 06/03/2020 To: 05/03/2023	Vehicle Insurance	SBI General Insurance Company Limited	₹ 1.73 million

Although, we believe that our insurance coverage is in accordance with industry standards including the terms of and the coverage provided by such insurance policies, however, our policies are subject to standard limitations and, in the case of business interruption insurance, among other things, limitations apply with respect to the length of the interruption covered and the maximum amount that can be claimed. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. See “Risk Factor – Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, cash flows and financial condition.” beginning on page 26.

Export Obligations:

As on date of Draft Red Herring Prospectus, our company has Export Obligation (EO) \$57624.69 (₹ 4.36 million) pending on account of duty saved under EPCG Scheme. Details are as mentioned below:

Total FOB Value of Export Obligation		Export Obligation Completed		Pending Export Obligation	
(in ₹)	(in \$)	(in ₹)	(in \$)	(in ₹)	(in \$)
2,38,06,702.08	3,19,124.69	1,94,42,525.00	2,61,500	43,64,177.00	57,624.69

* as certified by Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022

Corporate Social Responsibility (“CSR”)

Our CSR initiatives are aligned with the requirements under the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. We strive to meet our commitment towards the community by committing our resources and energies to social development.

In Fiscals 2021, 2020 and 2019, we spent ₹ 3.88 million, ₹ 3.00 million and ₹ 2.36 million, respectively, on CSR activities. We have implemented several CSR initiatives on our own, with employee volunteers as well as in partnership with implementing agencies from time to time. We have identified five focus areas of engagement in CSR activities, which are as follows:

- Promoting Education
- Promoting Sports
- Promoting Health
- Eradicating Hunger, Poverty and Malnutrition
- Empowering Women

We closely monitor the progress of various CSR activities at different sites to ensure the impact of these initiatives. Our senior management also interacts with the CSR teams at our different sites through regular updates and site visits. Our prime objective is to give back to society in a way that brings positive changes and transforms the lives of the weaker Sections in the best possible ways.

Information Technology

Our IT systems are aligned with our business strategy and are vital to our business. Its key objectives are speed, agility, adaptability and scalability in development as well as service and collaboration. The key focus areas are protecting intellectual property rights, mitigating cyber and business continuity related risks, improving efficiency, increasing digitalization and automation, leveraging the value of data and ensuring availability of skills and resources. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements.

We have made conscious efforts to consistently upgrade our systems to ensure efficiency and reduce redundancies. We have taken necessary measures to ensure cyber security, data protection from virus attacks and hacking and disaster recovery servers and systems for data retrieval and business continuity. We use modern software i.e. Tally ERP for our Accounting and Invoicing Purpose, Smart OP for Production Data and CP Mailer for feeding data of raw fish etc.

KEY INDUSTRY REGULATIONS AND POLICIES

In carrying on our business as described in the Section titled “Our Business” on page 141 of this Draft Red Herring Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the chapter titled “Government and Other Statutory Approvals” beginning on page 292 of this Draft Red Herring Prospectus.

Our Company is engaged in the business of manufacture of fish meal, fish oil and fish soluble paste. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s business. Our Company is required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

A. INDUSTRY RELATED LEGISLATION

1. The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

2. The Marine Products Export Development Authority Act, 1972 (“MPEDA Act”)

The MPEDA Act provides for the establishment of an authority for promoting the development of the marine products industry under the control of the Central Government and for matters connected therewith. The Marine Products Export Development Authority (“Authority”) has been established with such constitution and to perform such functions as specified in the MPEDA Act. The MPEDA Act prescribes the Authority to undertake measures with respect to, inter-alia, (i) development and regulation of off-shore and deep-sea fishing; (ii) fixation of standards and specification for marine products for the purposes of export; and (iii) carrying out inspection of marine products in any fishing vessel, processing plant and storage premises. Further, the MPEDA Act requires every owner of a fishing vessel, processing plant or storage premises for marine products or conveyance used for the transport of marine products to apply to the Authority for registration before the expiration of one month from the date on which he first became owner of such fishing vessel, processing plant, storage premises or conveyance owned by him. Such registration once made shall continue to be in force until it is cancelled by the Authority. The MPEDA Act also requires every such owner to submit to the Authority returns in the form and manner as prescribed thereunder. For the purposes of the MPEDA Act, the term “marine products” has been defined as to include all varieties of fishery products known commercially as shrimp, prawn, lobster, crab, fish, shell-fish, other aquatic animals or plants or parts thereof and any other products which the Authority may, by notification in the Gazette of India, declare to be marine products. The MPEDA Act empowers the Central Government to make provisions for prohibiting, restricting or otherwise controlling the import or export of marine products, either general or in specified classes of cases.

3. Export of Fresh, Frozen and Processed Fish and Fishery Products (Quality Control, Inspection and Monitoring) Rules, 1995 (“Export of Fresh, Frozen and Processed Fish and Fishery Rules”)

The Export of Fresh, Frozen and Fishery Products Rules require feed mills, hatcheries, aquaculture farms, fishing harbours, landing/auction centres, fishing vessels, factory vessels, freezer vessels, pre-processing centres (independent/detached), ice plants (independent/detached), establishments and cold storages (independent/detached) which are desirous to process fish and fishery products require approval from the Export Inspection Council and Export Inspection Agencies to export such products to European Union (“EU”) and Russian Federation and Export, and Non-EU countries other than Russian Federation respectively. The Export of Fresh, Frozen and Processed Fish and Fishery

Rules also require, inter-alia, a premise where fishery products are prepared, processed, chilled, frozen, packaged or stored to procure aquaculture products only from farms registered with Coastal Aquaculture Authority of India/Designated Authorities and monitored under the Surveillance of Competent Authority.

4. Coastal Regulation Zone Notification, 2011 (“CRZ Notification”)

The CRZ Notification was notified on January 6, 2011 by the Ministry of Environment and Forests. The CRZ Notification restricts the setting up and expansion of any industry, operations or processes and manufacture or handling or storage or disposal of hazardous substances as specified in the Hazardous Substances (Handling, Management and Transboundary Movement) Rules, 2009 in the Coastal Regulation Zone. The CRZ Notification provides for detailed classification of the Coastal Regulation Zones into different zones for the purpose of conserving and protecting coastal areas and marine waters, and accordingly permits or prohibits the specific activities within each zone.

5. The Indian Boilers Act, 1923

Under the provisions of the Indian Boilers Act, 1923 (“Boiler Act”), an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. It also prescribes standard requirements with respect to material, construction, safety and testing of boilers.

6. Electricity Act, 2003

The Electricity Act, 2003 (“Electricity Act”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

B. EMPLOYEE AND LABOUR RELATED LEGISLATIONS:

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative discussion of labour laws which may be applicable to our Company due to the nature of its business activities:

- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees’ State Insurance Act, 1948;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Public Liability Insurance Act, 1991;
- The Maternity Benefit Act, 1961;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976
- The Employee's Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal

Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

C. TAX RELATED LAWS:

1. Income-tax Act, 1961

Income-tax Act, 1961 (“**IT Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the IT Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

2. Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017 (“**CGST Act**”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

3. Integrated Goods and Services Tax Act, 2017

Integrated Goods and Services Tax Act, 2017 (“**IGST Act**”) is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

4. The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. Any company requiring to import or export any goods is required to get itself registered under this Act and obtain an Importer Exporter Code number. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

5. **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

D. **INTELLECTUAL PROPERTY LAWS**

The Trademarks Act, 1999

Under the Trademarks Act, 1999 ("**Trademarks Act**"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("**the Registrar**"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

E. **OTHER APPLICABLE LAWS**

1. **The Companies Act, 2013**

The Companies Act, 2013 ("**Companies Act**") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

2. **The Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 ("**Consumer Protection Act**") was enacted to provide speedy and simple redressal to consumer disputes through quasi-judicial machinery set up at district, state and national level. The provisions of the Consumer Protection Act cover products as well as services.

3. **The Transfer of Property Act, 1882 ("T.P. Act")**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **Sale:** The transfer of ownership in property for a price, paid or promised to be paid.
- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

4. The Sale of Good Act, 1930

The Indian Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

5. The Registration Act, 1908

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

6. The Indian Contract Act, 1872

The Indian Contract Act, 1872 (“**Contract Act**”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

7. The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

8. Competition Act, 2002

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

9. Legislations pertaining to Stamp Duty

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

10. Legal Metrology Act, 2009

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act inter-alia requires any person who manufactures, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, to obtain a license issued by the Controller of Legal Metrology. It has been clarified that no license to repair is required by a manufacturer for repair of his own weight or measure in a State other than the State of manufacture of the same. The Legal Metrology Act inter-alia provides that any person who is required to obtain a license under the Legal Metrology Act or the rules made thereunder, repairs or sells, or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid license, will be punished in the first instance with fine and for a subsequent offence, with imprisonment and/or fine.

F. ENVIRONMENTAL LAWS

1. The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exists among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

2. The Water (Prevention and Control of Pollution) Act, 1974 (“the Water Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board (“**State PCB**”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

3. The Air (Prevention and Control of Pollution) Act, 1981 (“the Air Act”)

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the State PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent. The Air Act prescribes penalties for contravention in terms of fine, imprisonment or both.

G. REGULATIONS REGARDING FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“**DPIIT**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“**FDI Policy**”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

The Company is engaged in the activity of manufacturing of fish meal, fish oil and fish soluble paste. The FDI Policy issued by the DIPP permits foreign investment up to 100% in the manufacturing sector under the automatic route. No approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue.

HISTORY AND CERTAIN CORPORATE MATTERS

History and Background

Our Company was originally incorporated as “**Mukka Sea Food Industries**”, a Partnership firm in the state of Karnataka on March 13, 2003. Subsequently, the Partnership Firm converted to Private Limited Company as “**Mukka Sea Food Industries Private Limited**” on November 04, 2010 vide certificate of incorporation bearing Corporate Identity No. U05004KA2010PTC055771 under the provisions of Companies Act, 1956 issued by the Registrar of Companies, Karnataka. Subsequently, the company was converted into Public Limited Company vide a fresh certificate of incorporation issued by ROC-Bangalore, consequent upon conversion from Private Limited to Public Company dated December 02, 2019 in the name of “**Mukka Sea Food Industries Limited**” vide Corporate Identification Number U05004KA2010PLC055771. Subsequently, name of the company changed to “**Mukka Proteins Limited**” vide a fresh certificate of incorporation pursuant to change of name issued by ROC-Bangalore, dated August 06, 2021.

The business was started by our founder Mr. Kalandan Abdul Razak in 1977 by forming a partnership firm namely Haris Marine Products primarily to carry on the business as Manufacturers and Dealers in Fish Manure, Fish Meal, Fish Oil and processed sea products of every kind, fertilizers and feeds, dry fish, sea foods and feed components of every variety, and fish products, minerals and marine produces and other allied products of every description and variety.

Mr. Kalandan Mohammed Haris and Mr. Kalandan Mohammed Althaf along with his 2 (two) relatives commenced a Partnership Firm in 2003 in the name of “Mukka Sea Food Industries and set up one of India’s first steam sterilised fishmeal plants.

In 2010, the said Partnership Firm converted into a Private Limited Company in the name of “Mukka Sea Food Industries Private Limited” and later, it has successfully evolved into a professionally managed large Group which is being managed by a team of capable & experienced persons led by Mr. Kalandan Mohammed Haris. The second generation has followed his footsteps to take the Mukka Group a step ahead and set benchmarks among key Manufacturers and Exporters of Fish Meal and Fish Oil in domestic market.

In the year 2021, when the world was dealing with Covid pandemic the group entered into the field of Insect Meal Industry by setting up Ento Proteins Private Limited.

Changes in Registered Office of the Company since incorporation

Date	Details of Registered Office	Reason for Change
At Incorporation	1 st Floor, Trinity Complex, Attavar, Mangalore – 575001, Karnataka	---
January 10, 2019	Door No.18-2-16/4, First Cross, NG Road, Near Vishwas Diamond Apartments, Attavara, Mangaluru – 575001, Karnataka	For Business Convenience
March 26, 2019	Mukka Corporate House, Door No. 18-2-16/4, First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru – 575001, Karnataka	For naming of Building

Main Objects of our Company:

The Main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- *To carry on all or any of the business of manufacturers importers, exporters, buyers, sellers, wholesalers, retailers and distributing agents of and dealers in all kinds of fish products, fish oil, frozen fish products, canned fish products, sea foods including prawns, shrimps, lobsters, pomfrets and to preserve, smoke, cure, freeze, prepare or process fish and sea foods and to manufacture or procure any substances or articles wholly or partially from fish or sea foods for human consumption, animal consumption and medical preparations, and all types of various food grains for animal consumption including all types of protein substitutes and protein products suitable for aqua and animal feeds.*

- To carry on the business as dealers, warehousemen transporters, traders of fish, sea foods, processed fish and sea foods and to manufacture, trade, export, import, deal in sea food products including fish oil, fish meal, frozen fish, live fish and other marine products.

The main objects clause as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

Amendments to the Memorandum of Association and Article of Association of our Company

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

Date of Amendment / Shareholders' Resolution	Nature of Amendment
July 18, 2013	<p>The clause 3(A)(1) of the MOA was amended as: "To carry on all or any of the business of manufacturers importers, exporters, buyers, sellers, wholesalers, retailers and distributing agents of and dealers in all kinds of fish products, fish oil, frozen fish products, canned fish products, sea foods including prawns, shrimps, lobsters, pomfrets and to preserve, smoke, cure, freeze, prepare or process fish and sea foods and to manufacture or procure any substances or articles wholly or partially from fish and sea foods for human consumption, animal consumption and medical preparations and all types of various food grains for animal consumption including the ones which can be used for aqua feeds"</p>
October 29, 2018	<p>The Authorized Share Capital of the company was increased from ₹ 7,00,00,000 divided into 7,00,000 equity shares of ₹ 100/- each to ₹ 8,00,00,000 divided into 8,00,000 equity shares of ₹ 100/- each.</p>
	<p>The Clause 2 of Articles of Association of the Company was amended</p>
July 18, 2019	<p>Our Company altered its Memorandum of Association, in order to adhere to the provisions of the Companies Act, 2013.</p>
	<p>The heading of the Clause 3(A), 3(B) of the MOA was altered</p> <p>The Clause 3(B)(1), 3(B)(3), 3(B)(4), 3(B)(6), 3(B)(13), 3(B)(20), 3(B)(28), 3(B)(32), 3(B)(34), 3(B)(35), 3(B)(36), 3(B)(37), 3(B)(38), 3(B)(39), 3(C)(6) and Clause 4, Clause 5 of the MOA was altered</p>
July 23, 2021	<p>The clause 3(A)(1) of the MOA was amended as: "To carry on all or any of the business of manufacturers importers, exporters, buyers, sellers, wholesalers, retailers and distributing agents of and dealers in all kinds of fish products, fish oil, frozen fish products, canned fish products, sea foods including prawns, shrimps, lobsters, pomfrets and to preserve, smoke, cure, freeze, prepare or process fish and sea foods and to manufacture or procure any substances or articles wholly or partially from fish or sea foods for human consumption, animal consumption and medical preparations, and all types of various food grains for animal consumption including all types of protein substitutes and protein products suitable for aqua and animal feeds"</p>
December 29, 2021	<p>The Authorized Share Capital of the company was increased from ₹ 8,00,00,000 divided into 80,00,000 equity shares of ₹ 10/- each to ₹ 30,00,00,000 divided into 3,00,00,000 equity shares of ₹ 10/- each.</p>
	<p>The Face Value of the Company has been sub-divided from ₹ 100/- each fully paid-up to ₹ 10/- each fully paid-up.</p>
February 28, 2022	<p>The Face Value of the Company has been sub-divided from ₹ 10/- each fully paid-up to ₹ 1/- each fully paid-up.</p>

Date of Amendment / Shareholders' Resolution	Nature of Amendment
	<i>Consequently, the Authorized Share Capital of the Company comprising of 3,00,00,000 equity shares of ₹ 10/- each aggregating to ₹ 30,00,00,000 was sub-divided into 30,00,00,000 equity shares of ₹ 1/- each aggregating to ₹ 30,00,00,000</i>

Corporate profile of our Company

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, launch of key products, entry in new geographies, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 141, 194 and 269 respectively, of this Draft Red Herring Prospectus.

Major events in the history of our Company

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Details
2003	<ul style="list-style-type: none"> Constituted as a Partnership Firm under the name of Mukka Sea Food Industries
2006	<ul style="list-style-type: none"> Granted Certificate of Registration of Processing Plant, Certificate of Registration as a Manufacturer and Exporter, Certificate of Registration of Storage Premises from MPEDA
2010	<ul style="list-style-type: none"> Incorporated as a Private Limited Company under the name of Mukka Sea Food Industries Private Limited
2011	<ul style="list-style-type: none"> Awarded ISO 9001:2015 Quality Management System
2014	<ul style="list-style-type: none"> Awarded HACCP (Hazard Analysis and Critical Control Points) Commenced International operations in Middle East Set up quality testing laboratory as per International Standards
2015	<ul style="list-style-type: none"> GMP+ Certification by SGS Product & Process Certification
2016	<ul style="list-style-type: none"> Awarded ISO 22000:2005 Food Safety Management System Introduction of In-house R & D department
2017	<ul style="list-style-type: none"> Crossed 300 cr. Turnover
2018	<ul style="list-style-type: none"> Obtained MOA License to explore China Market Set up Manufacturing Facility in Gujarat
2019	<ul style="list-style-type: none"> Converted from Private Limited i.e. Mukka Sea Food Industries Private Limited to Public Company i.e. Mukka Sea Food Industries Limited Awarded HALAL Certification

Calendar Year	Details
	<ul style="list-style-type: none"> Membership at Visvesvaraya Trade Promotion Centre (VTPC), Government of Karnataka
2020	<ul style="list-style-type: none"> Approval for Exports to all Countries including European Union excluding Custom Union for Processing & Packing of Fish Meal, Fish Oil & Fish Soluble Paste (Not fit for Human Consumption) by Export Inspection Council, Ministry of Commerce and Industry Blending unit with dedicated Quality and Assurance Lab at Jaffarabad and Porbandar Crossed 500 cr. Turnover
2021	<ul style="list-style-type: none"> Changed name of Company from Mukka Sea Food Industries Limited to Mukka Proteins Limited Entered into Joint Venture between Ento Proteins Private Limited, Holocene Ecosolutions Private Limited and Mukka Proteins Limited for Insect meal Industry

Awards, Accreditations and Recognitions

Fiscal Year	Details
2021	<ul style="list-style-type: none"> SKOCH Award Achiever Silver awarded by SKOCH Group Semi Finalist SKOCH of SKOCH Award 2021 awarded by SKOCH Group Certificate for India's Growth Champions 2021 awarded by The Economic Times and Statista High-Growth Companies Asia-Pacific 2021 awarded by Nikkei Asia, The Financial Times and Statista
2020	<ul style="list-style-type: none"> Semi Finalist SKOCH of SKOCH Award awarded by SKOCH Group #Time2Leap Awards - MSME Edition 2020 for outstanding accomplishment in Best Sea Food Exporter of the year Awarded as Three Star Export House by Director General of Foreign Trade, Ministry of Commerce & Industry, Government of India Certificate for FT High-Growth Companies Asia-Pacific 2020 awarded by The Financial Times and Statista
2019	<ul style="list-style-type: none"> Best Manufacturer Exporter Award 2019 – Gold (Medium Category) awarded by the Federation of Karnataka Chambers of Commerce and Industry
2018	<ul style="list-style-type: none"> Special Recognition Awards 2018 in Manufacturing (Medium Category) awarded by the Federation of Karnataka Chambers of Commerce and Industry Industrial Excellence Awards & Conference 2018 for Best Company of the Year India, 2018 for Animal Feed Industry awarded by National Industrial & Business Excellence Awards & Conference Certificate for FT 1000 High-Growth Companies Asia-Pacific 2018 awarded by The Financial Times and Statista
2017	<ul style="list-style-type: none"> Export Award 2016-17 for Outstanding Performance in Dried Marine Products awarded by The Marine Products Export Development authority, Ministry of Commerce and Industry

Fiscal Year	Details
	<ul style="list-style-type: none"> • <i>Export Excellence Award 2016-17 under the category of Top Multi Product Exporter in Karnataka awarded by FIEO</i> • <i>State Export Excellence Awards 2016-17 for Medium Category awarded by Ministry of Commerce and Industry</i> • <i>State Export Excellence Awards for the year 2016-17 in Platinum Category awarded by Visvesvaraya Trade Promotion Centre (VTPC), Government of Karnataka Organization</i> • <i>District Exporter Award for Dakshina Kannada Mangalore awarded by the Federation of Karnataka Chambers of Commerce and Industry</i> • <i>Sponsor in Aqua Aquaria India 2017 awarded by The Marine Products Export Development Authority, Ministry of Commerce & Industry</i>
2016	<ul style="list-style-type: none"> • <i>Export Award 2015-16 for Outstanding Performance in Dried Marine Products awarded by The Marine Products Export Development authority, Ministry of Commerce and Industry</i> • <i>SKOCH Award by SKOCH Group</i> • <i>SKOCH Order-of-Merit for qualifying in India's best SME's – 2016 awarded by SKOCH Group</i> • <i>State Export Excellence Award 2015-16 Platinum Award awarded by the Government of Karnataka</i> • <i>Indian Achievers Award for Industry Development awarded by Indian Achievers Forum</i>
2015	<ul style="list-style-type: none"> • <i>State Export Excellence Award in District Category for the year 2014-15, awarded by Department of Industries and Commerce, Government of Karnataka</i> • <i>Export Award 2014-15 for Second Outstanding Performance in overall exports-quantity, awarded by The Marine Products Export Development Authority, Ministry of Commerce & Industry</i> • <i>SKOCH Order of Merit for qualifying in India's best SME's awarded by SKOCH Group</i> • <i>Distinguished Award of Felicitations for immense contribution to the society in the coastal districts of Karnataka State in BFC Educational Scholarship Meet & Free Wheel Chair Distribution – 2015 awarded by Bearys Cultural Forum, United Arab Emirates</i>
2014	<ul style="list-style-type: none"> • <i>Best Manufacturer Exporter Award 2014 (Medium Category – Gold), awarded by the Federation of Karnataka Chambers of Commerce and Industry</i> • <i>State Export Excellence Award 2013-14 for Marine Products (Medium/Large Enterprise – Gold) awarded by the Government of Karnataka</i>
2013	<ul style="list-style-type: none"> • <i>District Exporter Award 2013, Dakshina Kannada-Special Recognition awarded by the Federation of Karnataka Chambers of Commerce and Industry</i> • <i>State Export Excellence Award 2012-13 for Marine Products (Medium/Large Enterprise – Gold) awarded by the Government of Karnataka</i>
2012	<ul style="list-style-type: none"> • <i>Marine Export Award for Outstanding Performance for the year 2011-12 in Marine Products awarded by The Marine Products Export Development authority, Ministry of Commerce and Industry</i> • <i>State Export Excellence Awards 2011-12 for Marine Products (Medium/Large Enterprise - Gold) awarded by Government of Karnataka</i>

Fiscal Year	Details
2011	<ul style="list-style-type: none"> "Niryat Shree" Award for outstanding Export Performance in the Category of "Residual Sector not covered anywhere - MSME) during the year 2010-11 Trophy awarded by Federation of Indian Exports Organization0073 Best District Exporter Award 2011 awarded by the Federation of Karnataka Chambers of Commerce and Industry Producer Member of IFFO (The Marine Ingredients Organisation)



CERTIFICATE OF APPROVAL BY EXPORT INSPECTION COUNCIL OF INDIA, MINISTRY OF COMMERCE & INDUSTRY GOVT. OF INDIA



RECEIVED AQSIQ LICENSE



HAZARD ANALYSIS AND CRITICAL CONTROL POINTS (HACCP) REGISTRATION CERTIFICATE FROM NQA



CERTIFICATE OF REGISTRATION WITH HALAL REQUIREMENTS



ISO 22000:2005 CERTIFIED



ISO 9001:2015 CERTIFIED



IFFO MEMBERSHIP CERTIFICATE



CERTIFICATE OF 1000 HIGH-GROWTH COMPANIES ASIA-PACIFIC



AWARDED NIRYAT SHREE IN 2010-11



AWARDED SKOCH ORDER OF MERIT IN 2015 AND 2016



AWARDED EXPORT AWARDS FROM MPEDA FOR 2011-12, 2014-15, 2015-16 AND 2016-17,



STATE EXPORT EXCELLENCE AWARD 2014-15



AWARDED EXPORT EXCELLENCE AWARD FOR 2016-17 FROM FIEO



AWARDED EXPORT EXCELLENCE AWARD IN 2011, 2013 AND 2014 FROM FKCCI



STATE EXPORT EXCELLENCE AWARD 2016-17



AWARDED EXPORT EXCELLENCE AWARD FOR 2011-12 FROM MREDA



AWARDED EXPORT EXCELLENCE AWARD FOR 2013 FROM FKCCI



STATE EXPORT EXCELLENCE AWARD 2013-14



AWARD FROM KARNARAKA POLLUTION CONTROL BOARD 2015



AWARDED EXPORT EXCELLENCE AWARD 2015-16



Time/cost overrun

As on the date of this Draft Red Herring Prospectus, there have been no time/cost overruns in setting up our projects.

Defaults, rescheduling or restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

Significant strategic and financial partnerships

As on the date of this Draft Red Herring Prospectus, our Company does not have any significant strategic or financial partners.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, revaluation of assets, etc. in the last 10 years

Except as mentioned in chapter “*History and Certain Corporate Matters*” beginning on page no. 182, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Prospectus.

Subsidiaries and Associates of our Company

As on date of this Draft Red Herring Prospectus, our Company has 2 (Two) Indian subsidiaries, 1 (One) foreign subsidiary, 2 (Two) Indian Associates Company, and 1 (One) Foreign Joint Venture Company

- **Atlantic Marine Products Private Limited (Indian Subsidiary)**

Corporate Information:

Atlantic Marine Products Private Limited was incorporated on November 14, 2019 vide certificate of incorporation bearing Corporate Identity No. U05150GJ2019PTC110796 under the provisions of Companies Act, 2013 issued by ROC-Ahmedabad. The registered office of Atlantic Marine Products Private Limited is located at Plot No. 3, Survey No. 224/1 Jafraabad Road, Mitiyala, Jafraabad, Amreli, Gujarat – 365540

Nature of Business:

Atlantic Marine Products Private Limited is engaged in the business of producing, dealing, reselling and exporting all type of steamed/sterilized fish meal.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Atlantic Marine Products Private Limited is ₹ 100,00,000/- divided into 1,00,000 equity shares of ₹ 100/- each. The issued, subscribed and paid-up capital of Atlantic Marine Products Private Limited is ₹ 100,00,000/- divided into 1,00,000 equity shares of ₹ 100/- each.

Our Company holds 50.99% shareholding of Atlantic Marine Products Private Limited.

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Atlantic Marine Products Private Limited not accounted for by our Company.

- **Haris Marine Products Private Limited (Indian Subsidiary)**

Corporate Information:

Haris Marine Products Private Limited was incorporated on October 30, 2019 vide certificate of incorporation bearing Corporate Identity No. U05001KA2019PTC129205 under the provisions of Companies Act, 2013 issued by ROC-Bangalore.

The registered office of Haris Marine Products Private Limited is located at Mukka Corporate House, Door No. 18-2-16/4 First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru - 575001

Nature of Business:

Haris Marine Products Private Limited is engaged in the business of traders, manufacturers and dealers in and exporters of fish manure, fish meal, fish oil and fish soluble paste.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Haris Marine Products Private Limited is ₹ 100,00,000/- divided into 1,00,000 equity shares of ₹ 100/- each. The issued, subscribed and paid-up capital of Haris Marine Products Private Limited is ₹ 100,00,000/- divided into 1,00,000 equity shares of ₹ 100/- each.

Our Company holds 98% shareholding of Haris Marine Products Private Limited.

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Haris Marine Products Private Limited not accounted for by our Company.

- **Ocean Aquatic Proteins LLC (Foreign Subsidiary, Oman)**

Corporate Information:

Ocean Aquatic Proteins LLC was incorporated on April 11, 2018 in Sultanate of Oman. The registered office of Ocean Aquatic Proteins is located at P. O. Box – 21, Postal Code 324, Sultanate of Oman.

Nature of Business:

Ocean Aquatic Proteins LLC is engaged in the business of fish meal and fish oil processed raw fish.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the share capital of Ocean Aquatic Proteins LLC is OMR 1,50,000/- comprising fully paid-up equity shares of OMR 1/- each.

Our Company holds 63% shareholding of Ocean Aquatic Proteins LLC.

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Ocean Aquatic Proteins LLC not accounted for by our Company.

- **Ento Proteins Private Limited (Indian Associate Company)**

Corporate Information:

Ento Proteins Private Limited was incorporated on March 08, 2021 vide certificate of incorporation bearing Corporate Identity No. U15209KA2021PTC145044 under the provisions of Companies Act, 2013 issued by ROC-Bangalore. The registered office of Ento Proteins Private Limited is located at Mukka Corporate House, Door No. 18-2-16/4(1) First Cross, NG Road, Attavara, Dakshina Kannada, Mangaluru - 575001

Nature of Business:

Ento Proteins Private Limited is engaged in the business of developing ingredients from insects, bugs for animal feeds, medical preparation.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Ento Proteins Private Limited is ₹ 10,00,000/- divided into 10,000 equity shares of ₹ 100/- each. The issued, subscribed and paid-up capital of Ento Proteins Private Limited is ₹ 2,00,000/- divided into 2,000 equity shares of ₹ 100/- each.

It was wholly owned Subsidiary of Mukka Proteins Limited till October 18, 2021, but became associate company with effect from October 19, 2021 and, the company now holds 50% shareholding of Ento Proteins Private Limited pursuant to agreement entered between Mukka Proteins Limited, Holocene Ecosolutions Private Limited and Ento Proteins Private Limited dated September 13, 2021.

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Ento Proteins Private Limited not accounted for by our Company.

- **Ocean Proteins Private Limited (Indian Associate Company)**

Corporate Information:

Ocean Proteins Private Limited was incorporated on October 01, 2019 vide certificate of incorporation bearing Corporate Identity No. U05000KL2019PTC059823 under the provisions of Companies Act, 2013 issued by ROC-Ernakulam. The registered office of Ocean Proteins Private Limited is located at Door No 18/291, KMC XI/423A/423B, MG Road, Kasaragod, Kerala - 671121.

Nature of Business:

Ocean Proteins Private Limited is engaged in the business of Surmi and Shrimp.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Ocean Proteins Private Limited is ₹ 10,00,00,000/- divided into 10,00,000 equity shares of ₹ 100/- each. The issued, subscribed and paid-up capital of Ocean Proteins Private Limited is ₹ 9,50,00,000/- divided into 9,50,000 equity shares of ₹ 100/- each.

Our Company holds 40% shareholding of Ocean Proteins Private Limited. Our Company has acquired this company December 21, 2021 which was non-operating.

- **MSFI (Bangladesh) Limited**

Corporate Information:

MSFI (Bangladesh) Limited was incorporated on February 22, 2012 vide certificate of incorporation bearing No. C-99590/12 under the provisions of Companies Act, 1994 by Registrar of Joint Stock Companies & Firms, Bangladesh. The registered office of MSFI (Bangladesh) Limited is located at Dhaka, Bangladesh.

Nature of Business:

MSFI (Bangladesh) Limited is engaged in the business of fish meal and fish oil processed raw fish.

Capital Structure and Shareholding

As on the date of this Draft Red Herring Prospectus, the authorized share capital of MSFI (Bangladesh) Limited is Tk. 100,00,000/- divided into 1,00,000 shares of Tk. 100/- each. The issued, subscribed and paid-up capital of MSFI (Bangladesh) Limited is Tk. 30,00,000/- divided into 30,000 shares of Tk. 100/- each.

Our Company holds 49% shareholding of MSFI (Bangladesh) Limited.

Accumulated profits or losses not accounted for by our Company

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of MSFI (Bangladesh) Limited not accounted for by our Company.

Agreements with Key Managerial Personnel, Director or any other employee

There are no agreements entered into by our Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by our Promoters

Our Promoters have not given any guarantee to any third parties as on the date of this Draft Red Herring Prospectus.

Capital raising (Debt / Equity)

Except as set out in the Sections titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on page no 58 and 265 respectively of this Draft Red Herring prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

Injunction or restraining order

Nil

Details regarding past performance of the company.

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to Section titled “*Financial Statements as restated*” beginning on page no. 221 of this Draft Red Herring prospectus.

Changes in the activities of our Company during the last ten (10) years

Except as mentioned in chapter “*Our History and Certain Corporate Matters*” beginning on page no. 182 there have been no changes in the activity of our Company during the last ten (10) years preceding as on the date of this Draft Red Herring prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

Revaluation of Assets

Our Company has not revalued its assets as on the date of this Draft Red Herring Prospectus.

Shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has 17 shareholders. For further details in relation to the current shareholding pattern, please refer to Section titled “*Capital Structure*” beginning on page no. 58 of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Under the Articles of Association, our Company is authorised to have a minimum of 3 (three) Directors and a maximum of up to 15 (fifteen) Directors. As on the date of this Draft Red Herring Prospectus, our Company has 8 (eight) Directors, comprising 1 (one) Managing Director, 2 (two) Whole Time Directors and 2 (two) Non-Executive Non-Independent Directors, 3 (three) Independent Directors including Chairman. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Age
Karkala Shankar Balachandra Rao	Chairman & Independent Director	03589394	67 Years
Kalandan Mohammed Haris	Managing Director & CEO	03020471	46 Years
Kalandan Mohammed Althaf	Whole Time Director & CFO	03051103	42 Years
Kalandan Mohammad Arif	Whole Time Director & COO	03020564	46 Years
Kalandan Abdul Razak	Non-Executive Director	02530917	78 Years
Umaiyya Banu	Non-Executive Director	03051040	63 Years
Hamad Bava	Independent Director	09448423	69 Years
Narendra Surendra Kamath	Independent Director	07255904	56 Years

Board of Directors

Sl. No.	Particulars	Details
1.	Name of the Director	Mr. Karkala Shankar Balachandra Rao
	Father's Name	Mr. Karkal Shanker Rao
	Residential Address	501, Leela Mansion, Kodialguthu, Mangaluru City, Dakshina Kannada, Karnataka – 575003
	Date of Birth	April 16, 1954
	Age	67
	Designation	Chairman & Non-Executive Independent Director
	DIN	03589394
	Occupation	Self Employed
	Nationality	Indian
	No. of Years of Experience	Please refer "Brief Biographies of the Directors" as mentioned below
	Date of Appointment	January 15, 2022
	Terms of Appointment	5 (five) years w.e.f. January 15, 2022
	Directorship in other companies	Nil

Sl. No.	Particulars	Details
2.	Name of the Director	Mr. Kalandan Mohammed Haris
	Father's Name	Mr. Kalandan Abdul Razak
	Residential Address	19-10-624, Umayya, B.R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
	Date of Birth	January 19, 1975
	Age	46
	Designation	Managing Director & Chief Executive Officer
	DIN	03020471
	Occupation	Business
	Nationality	Indian
	No. of Years of Experience	Please refer "Brief Biographies of the Directors" as mentioned below

Date of Appointment	November 04, 2010 (Designation changed to Managing Director & Chief Executive Officer w.e.f. January 20, 2022)
Terms of Appointment	For a period of 5 (five) year w.e.f. January 20, 2022
Directorship/Designated Partner in other companies/LLP	<ul style="list-style-type: none"> • Ocean Proteins Private Limited • Haris Marine Products Private Limited • Atlantic Marine Products Private Limited • Ento Proteins Private Limited • Mcity Infraventures Private Limited • Umaya Developers Private Limited • Acaya Exims Private Limited • Shipwaves Online Private Limited • Bearys Associates LLP • Seahive Farms LLP

Sl. No.	Particulars	Details
3.	Name of the Director	Mr. Kalandan Mohammed Althaf
	Father's Name	Mr. Kalandan Abdul Razak
	Residential Address	19-10-623/12, Umaiya Garden, Vanamalidas Compound, BR Karkera Road, Near Telecom Office, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
	Date of Birth	December 07, 1979
	Age	42
	Designation	Whole Time Director and Chief Financial Officer
	DIN	03051103
	Occupation	Business
	Nationality	Indian
	No. of Years of Experience	Please refer "Brief Biographies of the Directors" as mentioned below
	Date of Appointment	November 04, 2010 (Designated as Whole Time Director and Chief Financial Officer w.e.f. January 20, 2022)
	Terms of Appointment	5 (five) years w.e.f. January 20, 2022 (Liable to retire by rotation)
	Directorship in other companies	<ul style="list-style-type: none"> • Ocean Proteins Private Limited • Haris Marine Products Private Limited • Rahi Minerals Intertrade Private Limited (Strike Off) • Ento Proteins Private Limited • Mcity Infraventures Private Limited • Umaya Developers Private Limited • Shipwaves Online Private Limited

Sl. No.	Particulars	Details
4.	Name of the Director	Mr. Kalandan Mohammad Arif
	Father's Name	Mr. Kalandan Abdul Razak
	Residential Address	Door No 19-10-623/11, Umayya Garden, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
	Date of Birth	January 15, 1975
	Age	46
	Designation	Whole Time Director and Chief Operating Officer
	DIN	03020564
	Occupation	Business

Nationality	Indian
No. of Years of Experience	Please refer “Brief Biographies of the Directors” as mentioned below
Date of Appointment	November 04, 2010 (Designated as Whole Time Director and Chief Operating Officer w.e.f. January 20, 2022)
Terms of Appointment	5 (five) years w.e.f. January 20, 2022 (Liable to retire by rotation)
Directorship in other companies	<ul style="list-style-type: none"> • Ocean Proteins Private Limited • Haris Marine Products Private Limited • Atlantic Marine Products Private Limited • Ento Proteins Private Limited • Umay Developers Private Limited • Acaya Exims Private Limited

Sl. No.	Particulars	Details
5.	Name of the Director	Mr. Kalandan Abdul Razak
	Father’s Name	Mr. Abboo Kalandan
	Residential Address	#19-10-624, Umayya, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001
	Date of Birth	September 08, 1943
	Age	78
	Designation	Non-Executive Director
	DIN	02530917
	Occupation	Business
	Nationality	Indian
	No. of Years of Experience	Please refer “Brief Biographies of the Directors” as mentioned below
	Date of Appointment	February 22, 2021 (Originally appointed on November 04, 2010 and resigned on June 14, 2018 and Reappointed on February 22, 2021, Designation changed to Non-Executive Director w.e.f. January 18, 2022)
	Terms of Appointment	Liable to retire by rotation
	Directorship in other companies	<ul style="list-style-type: none"> • Haris Marine Products Private Limited • Medix Pharmaceuticals Private Limited

Sl. No.	Particulars	Details
6.	Name of the Director	Mrs. Umaiyya Banu
	Father’s Name	Mr. Moideen Baikampady
	Residential Address	19-10-624 UMAIYA, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshinna Kannada, Karnataka-575001
	Date of Birth	January 05, 1958
	Age	63
	Designation	Non-Executive Director
	DIN	03051040
	Occupation	Business
	Nationality	Indian
	No. of Years of Experience	Please refer “Brief Biographies of the Directors” as mentioned below
	Date of Appointment	November 04, 2010 (Designation changed to Non-Executive Director w.e.f. January 18, 2022)
	Terms of Appointment	Liable to retire by rotation
	Directorship in other companies	Nil

Sl. No.	Particulars	Details
7.	Name of the Director	Mr. Hamad Bava
	Father's Name	Late Abbas Beary Arla
	Residential Address	Flat No. 208, Mak Grand, Behind Colaco Hospital, Bendoorwell, Kankanady, Mangalore – 575002, Karnataka
	Date of Birth	May 25, 1952
	Age	69
	Designation	Non-Executive Independent Director
	DIN	09448423
	Occupation	Retired
	Nationality	Indian
	No. of Years of Experience	Please refer “Brief Biographies of the Directors” as mentioned below
	Date of Appointment	January 15, 2022
	Terms of Appointment	5 (five) years w.e.f. January 15, 2022
	Directorship in other companies	Nil

Sl. No.	Particulars	Details
8.	Name of the Director	Mr. Narendra Surendra Kamath
	Father's Name	Mr. Surendra Kamath
	Residential Address	9-89, Anugraha, Central House, Goldsmith Street, Mulki, Dakshina Kannada, Mangalore – 574154, Karnataka
	Date of Birth	June 10, 1965
	Age	56
	Designation	Non-Executive Independent Director
	DIN	07255904
	Occupation	Professional, Self Employed
	Nationality	Indian
	No. of Years of Experience	Please refer “Brief Biographies of the Directors” as mentioned below
	Date of Appointment	January 15, 2022
	Terms of Appointment	5 (five) years w.e.f. January 15, 2022
	Directorship in other companies	Nil

Brief Biographies of the Directors

Mr. Karkala Shankar Balachandra Rao, aged 67 years, is the Chairman & Independent Director of our Company. He has been appointed as the Independent Director of the Company on January 15, 2022. He holds a Bachelor's Degree in Science from Bangalore University, LLB from Bangalore University and Associate Certificate from the Indian Institute of Bankers. He previously worked with Canara Bank Securities Limited as a Director from September 16, 2011 to July 19, 2014. He has worked for Canara Bank in various capacities in Branches, Regional/Divisional Offices, Circle Office and Head Office from 1973 to 2014. He has over 30 years of experience in Banking, Credit, Foreign Exchange etc.

Mr. Kalandan Mohammed Haris, aged 46 years, is the Managing Director and CEO of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Bachelor's Degree in Commerce from University of Mysore. He has more than 20 years of experience in the same line of business.

Mr. Kalandan Mohammed Althaf, aged 42 years, is the Whole Time Director and CFO of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Bachelor's Degree in Computer Application from International Council for Education and Research. He has more than 18 years of experience in the same line of business.

Mr. Kalandan Mohammad Arif, aged 46 years, is the Whole Time Director of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Pre-University Degree in Commerce from Sri Ramakrishna Pre-University College. He has more than 15 years of experience in the same line of business.

Mr. Kalandan Abdul Razak, aged 78 years, is the Non-Executive Director of our Company. He has been on the Board of Directors of our Company since its inception. He is the founder of the Company and has over 5 decades of experience in Fish Meal, Fish Oil industry.

Mrs. Umayyaa Banu, aged 63 years, is the Non-Executive Director of our Company. She has been on the Board of Directors of our Company since its inception. She has more than 10 years of experience in the Fish Meal and Fish Oil industry.

Mr. Hamad Bava, aged 69 years, is the Independent Director of our Company. He has been appointed as the Independent Director of the Company on January 15, 2022. He holds a Bachelor's Degree in Commerce from University of Mysore and Master's Degree in Commerce from University of Mysore. He has worked for Vijaya Bank in various capacities as Assistant Manager, Branch Manager, Sr. Branch Manager in Head Office and various Branches from 1975 to 2012. He has over 35 years of experience in Banking. He was superannuated from Vijay Bank on May 31, 2012. After retirement, he has also served as Finance Manager at Yenepoya Institute of Medical Sciences and Research Private Limited, Mangalore for 7 years from 2013 to 2019.

Mr. Narendra Surendra Kamath, aged 56 years, is an Independent Director of our Company. He has been appointed as the Independent Director of the Company on January 15, 2022. He holds a Bachelor's Degree in Commerce from Bombay University and is a Chartered Accountant from the Institute of Chartered Accountants of India. He is also qualified as Internal Assessor of Tata Business Excellence Model (TBEM), the Quality Standard followed by Tata Group. He was associated as a Director with Big Flicks Private Limited from August 12, 2015 to April 10, 2019; Zapak Mobile Games Private Limited from August 12, 2015 to April 10, 2019; Reliance Entertainment Ventures Private Limited from January 20, 2016 to May 25, 2019; RBEP Entertainment Private Limited from May 28, 2019 to February 12, 2021; and as a Body Corporate DP Nominee from February 05, 2019 to February 11, 2021 with Reliance Animation LLP. He has previously worked with Kanakdhara Steel Limited as Manager-Accounts from October 1991 to May 1994; Western India Financial Services Limited as Sr. Manager-Accounts & MIS from June 1994 to October 1996; GTL Limited (formerly Global Tele-Systems Limited) as Controller - Corporate Accounts & Budgets from November 1996 to December 1998; Tata Teleservices (Maharashtra) Limited as Sr. Manager-Finance from December 1998 to March 2004; Level Up Network India Private Limited as Vice President-Finance from March 2004 to May 2006; Zapak Digital Entertainment Limited as Chief Financial Officer from May 2006 to March 2019; and Reliance Big Entertainment Private Limited as Vice President-Finance from May 28, 2019 to February 12, 2021. He has over 32 years corporate experience across diverse industry verticals including Manufacturing, Financial Services, Telecom Services & Software, Gaming, Media & Entertainment.

Confirmations

- a. 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 Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b. Further, none of the 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.
- c. None of the Directors have been identified as a wilful defaulter or a 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.
- d. 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.
- e. 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.

Relationship between our Directors and Key Managerial Personnel

Except as stated below, none of our Directors are related to each other:

Sr. No.	Name of the Director	Related to	Relationship
1	Mr. Kalandan Abdul Razak	Mrs. Umaiyya Banu	Spouse
2	Mr. Kalandan Abdul Razak	Mr. Kalandan Mohammed Haris	Father
		Mr. Kalandan Mohammad Arif	
		Mr. Kalandan Mohammed Althaf	
3	Mrs. Umaiyya Banu	Mr. Kalandan Mohammed Haris	Mother
		Mr. Kalandan Mohammad Arif	
		Mr. Kalandan Mohammed Althaf	
4	Mr. Kalandan Mohammed Haris	Mr. Kalandan Mohammad Arif	Brothers
		Mr. Kalandan Mohammed Althaf	

Arrangement or Understanding with major shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Terms of appointment and remuneration of our Managing Director and Whole Time Director

a) *Terms of Appointment of Kalandan Mohammed Haris*

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 18, 2022 and approved by EGM held on January 20, 2022, Kalandan Mohammed Haris was designated as the Managing Director and the Chief Executive Officer of our Company for a period of five (05) years with effect from January 20, 2022 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Salary	Upto ₹ 1,44,00,000/- per annum w.e.f. January 20, 2022
Perquisites	<p>He shall be entitled to perquisites like rent free residential furnished or otherwise accommodation or house rent allowance in lieu thereof together with reimbursement of expenses for utilization of Gas, Electricity, Water, reimbursement of medical expenses incurred in India or abroad (including insurance premium for medical and hospitalization policy) for self and family, leave travel concession for self and his family including dependents, Children education allowance, club fees, premium towards personal accident insurance premium and other payments in nature of benefits, perquisites and allowances as per rules of the Company subject to a ceiling of 10% of annual salary per annum.</p> <p>“Family” covers the spouse, the dependent children, and dependent parents of Managing Director. In the computation of the ceiling on remuneration the following perquisites shall not be included:</p> <ul style="list-style-type: none"> • Contribution to Provident fund or Superannuation or Annuity fund and Gratuity as per the Rules of the Company." • Leave and encashment of un availed leave as per the Rules of the Company.
Other Amenities	<ul style="list-style-type: none"> • Free use of the Company's Car with Driver for the Business of the Company. • Free telephone at the residence. • Reimbursement of all actual cost, charges, expenses incurred in course of Company's business.
Minimum Remuneration	In the event where the company has no profit or its profits are inadequate in any financial year during the currency of tenure of service of Managing Director and Chief Executive Officer, the remuneration by way of Salary and perquisites as mentioned above shall be paid to him as minimum remuneration subject to the limit as prescribed in Section II of Part II of Schedule V of the

	Companies Act, 2013 or any statutory amendments, modifications or re-enactment thereof for the time being in force.
Overall Remuneration	The aggregate of the remuneration payable to Managing Director by way of Salary and perquisites in any financial year shall not exceed the limit prescribed under section 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as amended from time to time.

b) Terms of Appointment of Kalandan Mohammed Althaf

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 18, 2022 and approved by EGM held on January 20, 2022, Kalandan Mohammed Althaf was designated as the Whole Time Director and the Chief Financial Officer of our Company for a period of five (05) years with effect from January 20, 2022 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Salary	Upto ₹ 96,00,000/- per annum w.e.f. January 20, 2022
Perquisites	<p>He shall be entitled to perquisites like rent free residential furnished or otherwise accommodation or house rent allowance in lieu thereof together with reimbursement of expenses for utilization of Gas, Electricity, Water, reimbursement of medical expenses incurred in India or abroad (including insurance premium for medical and hospitalization policy) for self and family, leave travel concession for self and his family including dependents, Children education allowance, club fees, premium towards personal accident insurance premium and other payments in nature of benefits, perquisites and allowances as per rules of the Company subject to a ceiling of 10% of annual salary per annum.</p> <p>“Family” covers the spouse, the dependent children, and dependent parents of Whole-time Director. In the computation of the ceiling on remuneration the following perquisites shall not be included:</p> <ul style="list-style-type: none"> • Contribution to Provident fund or Superannuation or Annuity fund and Gratuity as per the Rules of the Company." • Leave and encashment of un availed leave as per the Rules of the Company.
Other Amenities	<ul style="list-style-type: none"> • Free use of the Company's Car with Driver for the Business of the Company. • Free telephone at the residence. • Reimbursement of all actual cost, charges, expenses incurred in course of Company's business.
Minimum Remuneration	In the event where the company has no profit or its profits are inadequate in any financial year during the currency of tenure of service of Whole-time Director, the remuneration by way of Salary and perquisites as mentioned above shall be paid to him as minimum remuneration subject to the limit as prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory amendments, modifications or re-enactment thereof for the time being in force.
Overall Remuneration	The aggregate of the remuneration payable to Whole Time Director by way of Salary and perquisites in any financial year shall not exceed the limit prescribed under section 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as amended from time to time.

c) Terms of Appointment of Kalandan Mohammad Arif

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 18, 2022 and approved by EGM held on January 20, 2022, Kalandan Mohammad Arif was designated as the Whole Time Director and the Chief Operating Officer of our Company for a period of five (05) years with effect from January 20, 2022 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Salary	Upto ₹ 96,00,000/- per annum w.e.f. January 20, 2022
Perquisites	<p>He shall be entitled to perquisites like rent free residential furnished or otherwise accommodation or house rent allowance in lieu thereof together with reimbursement of expenses for utilization of Gas, Electricity, Water, reimbursement of medical expenses incurred in India or abroad (including insurance premium for medical and hospitalization policy) for self and family, leave travel concession for self and his family including dependents, Children education allowance, club fees, premium towards personal accident insurance premium and other payments in nature of benefits, perquisites and allowances as per rules of the Company subject to a ceiling of 10% of annual salary per annum.</p> <p>“Family” covers the spouse, the dependent children, and dependent parents of Whole-time Director. In the computation of the ceiling on remuneration the following perquisites shall not be included:</p> <ul style="list-style-type: none"> • Contribution to Provident fund or Superannuation or Annuity fund and Gratuity as per the Rules of the Company." • Leave and encashment of un availed leave as per the Rules of the Company.
Other Amenities	<ul style="list-style-type: none"> • Free use of the Company's Car with Driver for the Business of the Company. • Free telephone at the residence. • Reimbursement of all actual cost, charges, expenses incurred in course of Company's business.
Minimum Remuneration	In the event where the company has no profit or its profits are inadequate in any financial year during the currency of tenure of service of Whole-time Director, the remuneration by way of Salary and perquisites as mentioned above shall be paid to him as minimum remuneration subject to the limit as prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 or any statutory amendments, modifications or re-enactment thereof for the time being in force.
Overall Remuneration	The aggregate of the remuneration payable to Whole Time Director by way of Salary and perquisites in any financial year shall not exceed the limit prescribed under section 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 as amended from time to time.

Remuneration details of our Directors

- *Remuneration of our Directors*

The aggregate value of the remuneration paid to the Directors as on March 31, 2021 is as follows:

Sl. No.	Name of Director	Remuneration (₹ in million)
1.	Kalandan Mohammed Haris	14.40
2.	Kalandan Mohammed Althaf	9.60
3.	Kalandan Mohammad Arif	6.00
4.	Kalandan Abdul Razak	0.50
5.	Umaiyya Banu	3.60

- *Sitting fee details of our Directors*

No Sitting Fees have been paid to any Directors as on March 31, 2021.

Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Whole Time Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

Remuneration paid to our Directors by our Subsidiary

As on date of this Draft Red Herring Prospectus, our Subsidiary has not paid any remuneration to our Directors, except as disclosed in the “*Related Party Transactions*” on Section titled “*Financial Statement as Restated*” beginning from Page 221.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as of the date of this Draft Red Herring Prospectus.

Shareholding of Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of filing of this Draft Red Herring Prospectus is set forth below:

Sl. No.	Name of Director	Number of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Kalandan Mohammed Haris	6,89,21,870	31.33%
2.	Kalandan Mohammed Althaf	3,67,84,210	16.72%
3.	Kalandan Mohammad Arif	3,67,84,210	16.72%
4.	Kalandan Abdul Razak	1,67,20,000	7.60%
5.	Umaiyya Banu	79,88,520	3.63%

Our Managing Directors, Whole Time Directors and other Non-Executive Directors may be deemed to be interested to the extent of remuneration (including performance related pay) payable to them for services rendered as Directors of our Company or sitting fees paid to them for attending the meetings of the Board and Committees of the Board and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Managing Director and Whole Time Directors see “*Remuneration details of our Directors*” above.

Our Directors may also be regarded as interested in the Equity Shares, if any, that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and/ or trustees. Such Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Some of the Directors may also be interested to the extent of Equity Shares held by them in our Company. Hence, they may be deemed to be interested to the extent of their shareholding in our Company.

No consideration in cash, shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or companies in which they are interested, in connection with the promotion or formation of our Company.

Except as stated in “*Restated Consolidated Financial Information*” on page 221, our Directors do not have any other interest in the business of our Company.

None of our Directors are interested in any transaction of our Company for the acquisition of land, construction of building and supply of machinery. Further, none of our Directors are related to any entity from whom our Company has acquired land or proposes to acquire land.

Further, the Directors of our Company have no interest in any property acquired by our Company in the preceding three years prior to the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of the Director	Date of Appointment/ Change/Cessation	Reasons
Karkala Shankar Balachandra Rao	January 15, 2022	Appointed as Independent Director
Hamad Bava	January 15, 2022	Appointed as Independent Director
Narendra Surendra Kamath	January 15, 2022	Appointed as Independent Director
Umaiyya Banu	January 18, 2022	Designated as Non-Executive Director
Kalandan Abdul Razak	January 18, 2022	Designated as Non-Executive Director
Kalandan Mohammed Haris	January 20, 2022	Designated as Managing Director & CEO
Kalandan Mohammed Althaf	January 20, 2022	Designated as Whole Time Director & CFO
Kalandan Mohammad Arif	January 20, 2022	Designated as Whole Time Director & COO
Kalandan Abdul Razak	February 22, 2021	Re-appointed as a Director
Karkala Shankar Balachandra Rao	March 16, 2022	Appointed as Chairman

Borrowing Powers of our Board

In accordance with our articles and pursuant to a resolution passed by the Shareholders of our Company on January 02, 2020, the Board may raise finance upto ₹ 3000.00 million from any or more banks, financial institutions, mutual funds and other persons, firms, body corporates or by way of loan or credit facilities or any issue of bonds on such terms and conditions and with or without security and in order to secure the borrowing, our Company may be required to create mortgage, hypothecation or charge on the assets of our Company, both present and future, in favour of the lenders/trustees for the holders of the debentures/bonds, which may be issued by our Company to secure the repayment of monies borrowed by our Company (including temporary loans obtained from our Company's bankers in the ordinary course of business).

Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock exchange.

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 the following committees in accordance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Corporate and Social Responsibility Committee; and

- **Audit Committee**

As per Section 177 of the Companies Act, 2013, the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.

Audit Committee was constituted vide Board Resolution dated January 17, 2022. The Audit Committee of our Company comprises of the following: -

Name of Director	Status in Committee	Nature of Directorship
Karkala Shankar Balachandra Rao	Chairman	Independent Director
Hamad Bava	Member	Independent Director
Kalandan Mohammed Althaf	Member	Whole Time Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the SEBI (LODR) Regulations.

- **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

- **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-Section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;

- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 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.
- monitoring the end use of funds raised through public offers and related matters.
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;

- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the prospectus/notice in terms of Regulation 32(5).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

- **Nomination and Remuneration Committee**

As per Section 178 (1) of the Companies Act, 2013, the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

The Nomination and Remuneration Committee was constituted by our Board on January 17, 2022. The Nomination and Remuneration Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Narendra Surendra Kamath	Chairman	Independent Director
Hamad Bava	Member	Independent Director
Kalandan Abdul Razak	Member	Non-Executive Director

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

Role of the Nomination and Remuneration Committee

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the role of our Nomination and Remuneration Committee.

- The Committee shall formulate 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 for the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- The Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

As required under Regulation 19 of the SEBI (LODR) Regulations, the Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting shall be either two members present, or one-third of the members of the, whichever is greater, provided that there should be a minimum of one independent directors present.

- **Stakeholders Relationship Committee;**

As per Section 178 (5) of the Companies Act, 2013, the Board of Directors of a company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board.

In pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof, the Stakeholders' Relationship Committee was constituted by a resolution of our Board Meeting dated January 17, 2022. The Stakeholders' Relationship Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Kalandan Abdul Razak	Chairman	Non-Executive Director
Narendra Surendra Kamath	Member	Independent Director
Kalandan Mohammed Haris	Member	Whole Time Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Role of the Stakeholders Relationship Committee

The role of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and as per Regulation 20 and Part D of Schedule II of the SEBI Listing Regulations and is as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year.

• **Corporate Social Responsibility Committee:**

As per Section 135 (1) of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

In pursuance to provisions of Section 135 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof, the Corporate Social Relationship Committee was reconstituted on January 17, 2022. The Corporate Social Responsibility Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Hamad Bava	Chairman	Independent Director
Karkala Shankar Balachandra Rao	Member	Independent Director
Kalandan Mohammad Arif	Member	Whole Time Director

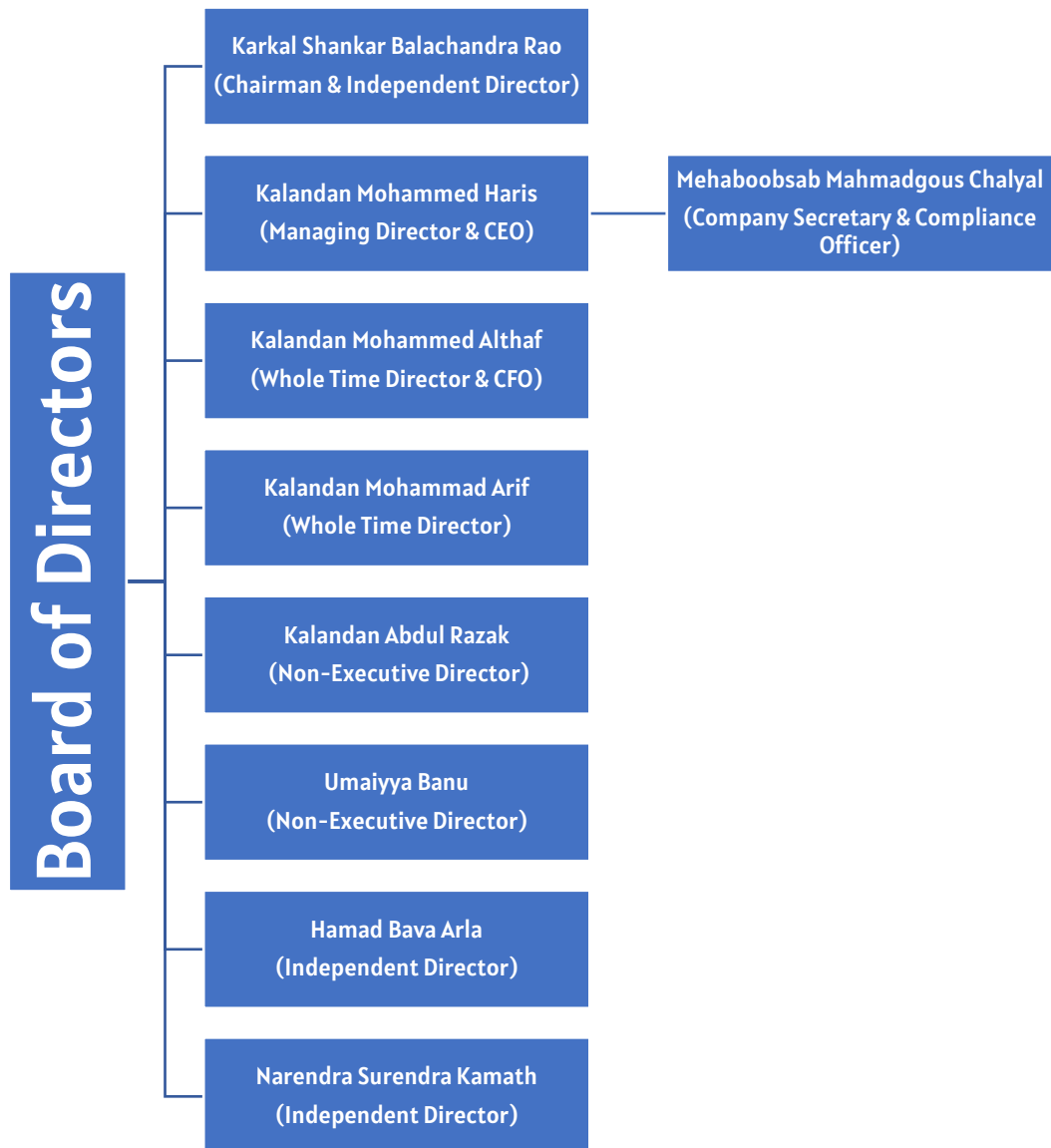
The Company Secretary of the Company shall act as the Secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

- To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Management Organization Chart



Key Managerial Personnel

In addition to the Directors of our Company, whose details have been provided under the paragraph “*Brief Biographies of the Directors*” under this Section, the details of other Key Managerial Personnel of our Company are as follows:

Mr. Kalandan Mohammed Haris, aged 46 years, is the Managing Director and CEO of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Bachelor’s Degree in Commerce from University of Mysore. He has more than 20 years of experience in the same line of business.

Mr. Kalandan Mohammed Althaf, aged 42 years, is the Whole Time Director and CFO of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Bachelor’s Degree in Computer Application from International Council for Education and Research. He has more than 18 years of experience in the same line of business.

Mr. Kalandan Mohammad Arif, aged 46 years, is the Whole Time Director of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Pre-University Degree in Commerce from Sri Ramakrishna Pre-University College. He has more than 15 years of experience in the same line of business.

Mr. Mehaboobsab Mahmadvous Chalyal, aged 24 years, is the Company Secretary and Compliance Officer of our Company. He holds a bachelor’s degree in Commerce from Karnataka University. He is a qualified company secretary from

the Institute of Company Secretaries of India and has experience in handling secretarial matters. He has been appointed as Company Secretary of our Company since January 12, 2022.

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

Relationship of Key Managerial Personnel with our Directors, Promoters and / or other Key Managerial Personnel

Except as disclosed under the heading “*Relationship between our Directors*” and herein below, none of the key managerial personnel are related to each other or to our Promoters or to any of our Directors.

Shareholding of the Key Managerial Personnel

In addition to the shareholding of our Directors disclosed under the head “*Shareholding of Directors of our Company*”, our Key Managerial Personnel do not hold equity shares of our Company as on date of this Draft Red Herring Prospectus.

Arrangements with major shareholders, customers and suppliers etc

None of our Key Managerial Personnel was selected as such pursuant to any arrangement with any major shareholder, customers, suppliers or others.

Service Contracts

Except for the appointment letters issued by our Company, our Key Managerial Personnel have not entered into any service contract in relation to their appointment and remuneration.

Bonus or Profit-Sharing Plan for our Key Managerial Personnel

None of our Key Managerial Personnel is a party to any bonus or profit-sharing plan.

Contingent and deferred compensation payable to our Directors or Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors or Key Managerial Personnel, which forms part of their remuneration.

Payment or benefit to Key Managerial Personnel of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Key Managerial Personnel except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel.

Interest of Key Managerial Personnel

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel’s have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed.

Changes in Key Managerial Personnel in the Last Three Years

Set forth below, are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Designation	Date of Change	Reason
Kalandan Mohammed Haris	Chief Executive Officer (CEO)	January 20, 2022	Appointment
Kalandan Mohammed Althaf	Chief Financial Officer (CFO)	January 20, 2022	Appointment
Kalandan Mohammad Arif	Chief Operating Officer (COO)	January 20, 2022	Appointment
Mehaboobsab Mahmadvous Chalyal	Company Secretary and Compliance Officer	January 12, 2022	Appointment
Jessica Juliana Mendonca	Company Secretary	June 01, 2019	Appointment
Jessica Juliana Mendonca	Company Secretary	June 25, 2021	Resignation

The attrition of the key management personnel is as per the industry standards.

Employees' Stock Option Plan

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

Loans taken by Directors / Key Management Personnel

Our Company has not granted any loans to the Directors and/or Key Management Personnel as on the date of this Draft Red Herring Prospectus.

OUR PROMOTER AND PROMOTER GROUP

The Board of Directors of our Company in their meeting held on January 31, 2022 have classified Kalandan Mohammed Haris, Kalandan Mohammed Althaf and Kalandan Mohammad Arif as the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters hold, in aggregate of 14,24,90,290 Equity Shares, constituting 64.77% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see “*Capital Structure –Details of Build-up of our Promoter’s shareholding*” on page 63 of this Draft Red Herring Prospectus.

1. Details of Individual Promoter of our Company



Kalandan Mohammed Haris, aged 46 years, is the Promoter and Managing Director & Chief Executive Officer of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “*Our Management*” on page 194 of this Draft Red Herring Prospectus.

Date of birth: January 19, 1975

Permanent Account Number: ABJPH9234P

Address: 19-10-624, Umayya, B.R Karkera Road, Near telecom house, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001



Kalandan Mohammad Arif, aged 46 years, is the Promoter and Whole Time Director & Chief Operating Officer of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “*Our Management*” on page 194 of this Draft Red Herring Prospectus.

Date of birth: January 15, 1975

Permanent Account Number: AVAPK6508Q

Address: Door No 19-10-623/11, Umayya Garden, B R Karkera Road, Near Telecom House, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001



Kalandan Mohammed Althaf, aged 42 years, is the Promoter and Whole Time Director & Chief Financial Officer of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “*Our Management*” on page 194 of this Draft Red Herring Prospectus.

Date of birth: December 07, 1979

Permanent Account Number: AGIPA6496J

Address: 19-10-623/12, Umayya Garden, Vanamalidas Compound, BR Karkera Road, Near Telecom Office, Pandeshwar, Mangalore, Dakshina Kannada, Karnataka-575001

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport and Aadhar Card of our Promoters to Stock Exchanges separately at the time of filing the Draft Red Herring Prospectus.

2. Details of Corporate Promoter of our Company

We don't have any Body Corporate Promoters.

Change in Control of our Company

Our Promoters are the original promoters of our Company and the control of our Company has not been acquired during the five years immediately preceding this Draft Red Herring Prospectus.

Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled "*Our Management*" beginning on page 194 of this Draft Red Herring Prospectus.

Interests of our Promoters:

Our Promoter is interested in our Company to the extent it has promoted our Company; and to the extent of its shareholding in and control over our Company, dividend payable on such shareholding and other distributions in respect of its Equity Shares, if any. For details of Equity Shares held by our Promoter, see "*Capital Structure – Build-up of Promoter's shareholding in our Company*" on page 63.

Except in the normal course of business and as stated in the "*Restated Consolidated Financial Information – Note 35- Related Party Disclosures*" on page 249, our Company has not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested, and no payments have been made to our Promoter in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Our Promoter has no interest, whether direct or indirect, in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

No sum has been paid or agreed to be paid by our Company, to our Promoter or to such firm or company in cash or shares wherein our Promoter is interested as member, or promoter or otherwise as an inducement by any person for services rendered by the Promoter or by such firm or company in connection with the promotion or formation of our Company.

Our Promoter does not have any direct interest in any venture that is involved in any activities similar to those conducted by our Company.

Interest in property, land, construction of building and supply of machinery

None of our Promoters have any interest in any property acquired by our Company in the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Payment or benefits to our Promoters and Promoter Group during the last two years

Except in the ordinary course of business, dividends received by our Promoter, and as stated in "*Restated Consolidated Financial Information – Note 35 - Related Party Disclosures*" on page 249 there has been no payment or benefits by our Company to our Promoter and members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Litigations involving our Promoters

For details of legal and regulatory proceedings involving our Promoter, see "*Outstanding Litigation and Material Development*" in page 276.

Guarantees

Except as mentioned in chapter titled “*Financial Indebtedness*” on page 265 of this Draft Red Herring Prospectus, our Promoters have not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as of the date of filing of this Draft Red Herring Prospectus.

Details of Companies / Firms from which our Promoters has disassociated in the last three years

Except as mentioned herein, our Promoters have not disassociated themselves from any company/firm during the three years preceding this Draft Red Herring Prospectus.

Our Promoter Group

In addition to our Promoter, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

a) Promoters;

Sl. No.	Name of the Promoters
1.	Kalandan Mohammed Haris
2.	Kalandan Mohammad Arif
3.	Kalandan Mohammed Althaf

b) An immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

Relationship	Name of the Relatives		
	Kalandan Mohammed Haris	Kalandan Mohammed Althaf	Kalandan Mohammad Arif
Father	Kalandan Abdul Razak	Kalandan Abdul Razak	Kalandan Abdul Razak
Mother	Umaiyya Banu	Umaiyya Banu	Umaiyya Banu
Spouse	Aisha Shabnam	Razeena Khateeja	Zareena Banu
Brother	Kalandan Mohammad Arif Kalandan Mohammed Althaf, Mohamed Hasir	Kalandan Mohammed Haris, Mohamed Hasir, Kalandan Mohammad Arif	Kalandan Mohammed Haris, Mohamed Hasir, Kalandan Mohammed Althaf
Sister	-	-	-
Son	Mohammed Ahil Haris, Mohammed Ayan Haris, Mohammed Sahim Haris	Mohammed Raazi Althaf, Mohammed Althaf Raif	Mohammad Ameen Arif Mohammad Aqib Arif
Daughter	Ainy Mariyam Haris	Fathima Reha, Ayisha Faiha	Beebi Umaiy Zuha Khadija Iram Fathima Inara
Spouse's Father	S Abdul Majeed	Thayal Mammunhi Kuhnamed	Kudroli Mohammed
Spouse's Mother	Khairunissa Mohammed	Ayisha Abdulla	Ayesha Udyavara
Spouse's Brothers	Mohammed Sameer Abbas, Mohammed Sakeer Ismail	T M Abdul Rahiman, Thayalvalappil Mammunhi Abdulrahoof	Ashfaq Ali Ayyub Arshad Ali
Spouse's Sisters	Samiya Mariyam, Shazia Beebi Fathima	Rasheeda TM Ramlabi	Rehena Banu Ruksana Banu Jabeena Banu

c) In case promoter is a body corporate:

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	NA
Any Body corporate in which promoter (Body Corporate) holds 20% (twenty percent) or more of the equity share capital or which holds 20% (twenty percent) or more of the equity share capital of the promoter (Body Corporate).	NA

d) Entities forming part of the Promoter Group:

Nature of Relationship	Entity
Any Body Corporate in which 20% (twenty percent) or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	<ol style="list-style-type: none"> 1. Shipwaves Online Private Limited 2. Umayya Developers Private Limited 3. Acaya Exims Private Limited 4. MCity Infracventures Private Limited 5. Bismi Fisheries Private Limited 6. Shipwaves Online LLC, Dubai 7. Medix Pharmaceuticals Private Limited 8. Sulthan Gold Private Limited 9. Sulthan Gold Classic Private Limited 10. Sulthan Retail LLP 11. Sulthan Diamonds & Gold LLP 12. ARS Jewellery Makers Private Limited
Any Body corporate in which Body Corporate as provided above holds 20% (twenty percent) or more of the equity share capital.	N.A.
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% (twenty percent) of total capital.	<ol style="list-style-type: none"> 1. Silk Winds International 2. Sulthan Gold International

Other Entities, wherein our Company has exposure of more than 20%:

- Progress Frozen and Fish Sterilization
- Pacific Marine Products
- Mangalore Fish Meal and Oil Company
- Ullal Fish Meal and Oil Company
- KGN Marine Products

e) All persons whose shareholding is aggregated under the heading "shareholding of the promoter group":

Sl. No.	Name of shareholders under promoter group
1	Kalandan Abdul Razak
2	Umaiyya Banu
3	Aisha Shabnam Haris
4	Razeena Khateerja
5	Zareena Banu

Other Confirmations:

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or fraudulent borrowers 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.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters, Promoter Group entities or Subsidiaries 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 Promoters 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.

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than the Promoters and Subsidiaries) with which there are related party transactions as disclosed in the Restated Consolidated Financial Information; and (ii) other companies considered material by our Board pursuant to the Materiality Policy. In accordance with our Materiality Policy, for the purposes of disclosure in this Draft Red Herring Prospectus, our Company has considered the companies (other than Promoters and Subsidiaries) with which there were related party transactions, during the period for which Restated Consolidated Financial Information is disclosed in this Draft Red Herring Prospectus and any other companies as may be considered as material by the Board.

Based on the above, our Group Companies are set forth below:

1. Bismi Fisheries Private Limited
2. Shipwaves Online Private Limited
3. Ento Proteins Private Limited
4. Shipwaves Online LLC, Dubai
5. Acaya Exims Private Limited

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations.

None of our Company, the BRLMs or any of the Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.

Details of our Group Companies

The details of our Group Companies are provided below:

A. Details of our top five Group Companies

In terms of the SEBI ICDR Regulations, the following information based on the audited financial statements of our top five Group Companies, for the last three financial years is available on the website of the respective Group Companies or our Company:

- reserves (excluding revaluation reserve);
- sales;
- profit after tax;
- earnings per share;
- diluted earnings per share; and
- net asset value.

1. Bismi Fisheries Private Limited

Registered Office

Deen Complex, O.S.M. Nagar, Mayiladuthurai Nagai Q.M. Dist, Tamilnadu – 609001, India

Financial information

In accordance with the SEBI ICDR Regulations, certain financial information in relation to Bismi Fisheries Private Limited for the previous three financial years, extracted from its audited financial statements is available on website of our Company at www.mukkaproteins.com

2. ***Shipwaves Online Private Limited***

Registered Office

18-2-16/4(3), 3rd Floor, Mukka Corporate House, 1st Cross, Attavara, Mangalore, Dakshina Kannada – 575001, Karnataka, India

Financial information

In accordance with the SEBI ICDR Regulations, certain financial information in relation to Shipwaves Online Private Limited for the previous three financial years, extracted from its audited financial statements is available on website of our Company at www.mukkaproteins.com

3. ***Ento Proteins Private Limited***

Registered Office

18-2-16/4(1), Mukka Corporate House, 1st Cross, Attavara, Mangalore, Dakshina Kannada – 575001, Karnataka, India

Financial information

In accordance with the SEBI ICDR Regulations, certain financial information in relation to Ento Proteins Private Limited for the previous three financial years, extracted from its audited financial statements is available on website of our Company at www.mukkaproteins.com

4. ***Acaya Exims Private Limited***

Registered Office

Door No.18-4-212/41 & 18-4-212/42, 1st Floor Trinity Commercial Complex, N. G. Road Attavar Mangalore Dakshina Kannada, Karnataka – 575001, India

Financial information

In accordance with the SEBI ICDR Regulations, certain financial information in relation to Acaya Exims Private Limited for the previous three financial years, extracted from its audited financial statements is available on website of our Company at www.mukkaproteins.com

5. ***Shipwaves Online LLC, Dubai***

Registered Office

211, Business Venue Building, Opposite Al Nasr Club, Umm Hurair Road, Oud Metha, Dubai, U.A.E – P.O Box.19205

Financial information

In accordance with the SEBI ICDR Regulations, certain financial information in relation to Shipwaves Online LLC, Dubai for the previous three financial years, extracted from its audited financial statements is available on website of our Company at www.mukkaproteins.com

Nature and extent of interest of Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits

Certain of our Subsidiaries/associates are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst our Subsidiaries/associates and our Company. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed in “*Related Party Transactions*” on page 249, there are no related business transactions with the Group Companies.

Litigation

Except as disclosed in “*Outstanding Litigation and Material Developments*” on page 276, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

Business interest of Group Companies

Except in the ordinary course of business and as stated in “*Related Party Transactions*” on page 249, none of our Group Companies have any business interest in our Company.

Confirmations

None of our Group Companies have any securities listed on a stock exchange. Further, neither of our Group Companies has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Prospectus.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see “*Restated Consolidated Financial Information - Note 35–Related Party Transactions*” on page 249 of this Draft Red Herring Prospectus.

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 distribution policy of our Company was approved and adopted by our Board at its meeting dated January 18, 2022.

Declaration of dividend, if any, will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the year and profit available for distribution, working capital requirements, business expansion and growth, additional investment in subsidiaries, cost of borrowing, economic environment, capital markets, and other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends.

Our Company has not declared any dividends in: (i) the last three Fiscals; (ii) the six-month period ended September 30, 2021 and the date of filing this Draft Red Herring Prospectus.

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of SEBI Listing Regulation's and other applicable laws.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

Report of Independent Auditors' on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the six months period ended September 30, 2021 and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 along with the Restated Consolidated Statement of Significant Accounting Policies and other explanatory information of Mukka Proteins Limited, its subsidiaries and its associates (hereinafter collectively, the "Restated Consolidated Financial Statements")

The Board of Directors

MUKKA PROTEINS LIMITED ("Company")

(Formerly known as "Mukka Sea Food Industries Limited"/ "Mukka Sea Food Industries Private Limited")

Mukka Corporate House,

1st Cross, N.G. Road, Attavar,

Mangalore - 575001

Dear Sirs/Madams,

1. We have examined the attached Restated Consolidated Financial Statements of **Mukka Proteins Limited (Formerly known as "Mukka Sea Food Industries Limited" / "Mukka Sea Food Industries Private Limited")** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), its associates, comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, March 31, 2020, March 31, 2019, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the six month period ended September 30, 2021 and for the years ended March 31, 2021, March 31, 2020, March 31, 2019, and the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on March 16, 2022 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") /Red Herring Prospectus ("RHP")/Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
 - a. the sub-Section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Consolidated Financials Statement

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Statements for the purpose of inclusion in the DRHP/RHP/Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("**Stock Exchanges**") in connection with the proposed IPO. The Restated Consolidated Financial Statements have been prepared by the management of the Group and its Associates in accordance with the basis of preparation stated in note 1 to the Restated Consolidated Financial Statements. The respective Board of Directors of the Companies included in the Group and of its associates is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Statement. The respective Board of Directors are also responsible for identifying and ensuring that the Group and its associates complies with the Act, ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

3. We have examined such Restated Consolidated Financial Statements taking into consideration:
- The terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated February 01, 2022 in connection with the proposed IPO of equity shares of the Company;
 - The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - The requirements of Section 26 of the Act and the ICDR Regulations.

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

4. These Restated Consolidated Financial Statements have been compiled by the management from:
- Audited special purpose interim consolidated Financial statements of the Group and its associates as at and for the six month period ended September 30, 2021, prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on 31st January, 2022.
 - Audited Consolidated Financial statements of the Group and its associates as at and for the year ended March 31, 2021, March 31, 2020, March 31, 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, (the "Consolidated Financials Statement"), which have been approved by the Board of Directors at their meeting held on August 27, 2021, December 08, 2020, September 23, 2019 respectively.
5. For the purpose of our examination, we have relied on:
- Independent Auditor's Report issued by us, dated January 31, 2022 on the Special Purpose Consolidated Financial Statements of the Group and its associates as at and for the six months period ended September 30, 2021.
 - Independent Auditor's Report issued by us, dated August 27, 2021, December 08, 2020, September 23, 2019, on the Consolidated Financial Statements of the Group for each of the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 as referred in Paragraph 4 above.
 - The Audited Consolidated Financial Statements of the Group and its Associates for the year ended March 31, 2021 and Special Purpose Consolidated Financial Statements of the Group and its associates for the half year ended September 30, 2021 audited by us included an Other Matter as follows:

Audited Special Purpose Consolidated Financial Statements of the Group and its associates for the six months period ended September 30, 2021:

Other Matter Paragraph

The audit of Special Purpose Financial Statements of three Indian subsidiaries namely "Haris Marine Products Private Limited", "Atlantic Marine Products Private Limited", "Ento Proteins Private Limited" and one Overseas subsidiary "Ocean Aquatic Proteins LLC" as included in the Special Purpose Interim Consolidated Financial Statements of the Group and its overseas associate M.S.F.I. (Bangladesh) Ltd. as at and for the six months period ended September 30, 2021, have been audited by other auditors viz. M/s Sheikh Abdullah & Co., M/s DDM & Associates, M/s Sheikh Abdullah & Co., M/s Whitemark Chartered Accountants for the subsidiaries respectively and M/s M. A. Zaman & Co. for its associate. The share of total assets, total revenues (including other income) and net cash outflows and Group's share of net profit in its associate included in the Special Purpose Consolidated Financial Statements of the Group and its associates, for the relevant period is tabulated below: -

Particulars	Amount (₹ In Million)
Total Assets	839.54
Total Revenue	700.74
Net Cash Flows	21.27
Group's share in Net profit in its associate	Nil

Audited Consolidated Financial Statements of the Group and its associates for the year ended March 31, 2021:

Other Matter Paragraph

The audit of Financial Statements of three Indian subsidiaries namely "Haris Marine Products Private Limited", "Atlantic Marine Products Private Limited", "Ento Proteins Private Limited" and one Overseas subsidiary "Ocean Aquatic Proteins LLC" as included in the Special Purpose Interim Consolidated Financial Statements of the Group and its overseas associate M.S.F.I. (Bangladesh) Ltd. for the year ended March 31, 2021, have been audited by other auditors viz. M/s Sheikh Abdullah & Co., M/s DDM & Associates, M/s Sheikh Abdullah & Co., M/s Whitemark Chartered Accountants for the subsidiaries respectively and M/s M. A. Zaman & Co. for its associate. The share of total assets, total revenues (including other income) and net cash outflows and Group's share of net profit in its associate included in the Consolidated Financial Statements of the Group and its associates, for the relevant period is tabulated below:-

Particulars	Amount (₹ In Million)
Total Assets	965.78
Total Revenue	1629.25
Net Cash Flows	13.60
Group's share in Net profit in its associate	Nil

6. Based on the above and according to the information and explanations given to us, we report that:
 - a. Restated Consolidated Financial Statements have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years March 31, 2021 and March 31, 2020 and March 31, 2019, to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed in the Audited Special Purpose Interim Consolidated Financial Statements of the Group and its associates as at and for the six months period ended September 30, 2021.
 - b. There are no qualifications in the auditors' reports on the Audited Consolidated Financial Statements of the Group and its associates as at and for the period ended September 30, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 which require any adjustments to the Restated Consolidated Financial Statements. And
 - c. Restated Consolidated Financial Statements have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.
7. The Restated Consolidated Financial Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose consolidated Ind AS financial statements and audited consolidated financial statements mentioned in paragraph 4 above.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We, M/s. Shah & Taparia, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI which is valid till 30.09.2024.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP/RHP/Prospectus to be filed with Securities and Exchange Board of India, Stock exchanges, as applicable in connection with the proposed IPO. 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 **Shah & Taparia**
Chartered Accountants
ICAI Firm Registration No. 109463W

Sd/-

Bharat Joshi
Partner
M. No. 130863
UDIN: 22130863AFBWED5901
Place: Mumbai
Date: 16th March 2022

MUKKA PROTEINS LIMITED
(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)
Annexure I
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	As at			
		30th September 2021 Restated	31st March 2021 Restated	31st March 2020 Restated	31st March 2019 Restated
in Million					
ASSETS					
Non-Current assets					
Property, Plant and Equipment	2	795.46	775.58	768.94	475.24
Work in Progress	2	8.09	40.28	21.85	-
Intangible Assets	2	0.13	0.26	0.34	0.46
Investment Property	3	14.02	14.22	14.63	15.03
Financial Assets					
Investment	4	140.06	117.50	34.95	78.47
Loans	4	0.78	0.31	0.48	0.59
Other Financial Asset	4	12.19	12.68	14.18	6.14
Income Tax Assets	5	13.31	13.33	14.85	10.50
Total Non-Current Assets		984.04	974.15	870.23	586.43
Current assets					
Inventories	6	1,147.61	1,498.69	1,150.89	900.34
Financial Assets					
Trade Receivables	7	413.59	478.86	349.97	284.91
Cash and Cash Equivalents	8	50.02	31.53	14.91	6.91
Other bank balances	9	22.54	10.35	1.60	2.19
Loans	4	210.44	184.63	217.48	69.77
Other Financial Assets	4	113.81	93.57	69.39	71.86
Other Current Assets	10	382.52	276.16	256.69	86.00
Total Current Assets		2,340.53	2,573.80	2,060.93	1,421.98
Total Assets		3,324.57	3,547.95	2,931.15	2,008.41
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	11	55.00	55.00	55.00	55.00
Other Equity	12	677.68	610.23	510.50	384.86
Non Controlling Interest		16.67	34.01	12.01	1.12
Total Equity		749.35	699.24	577.51	440.98
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	13	153.09	169.21	139.30	163.59
Other Financial Liabilities	18	-	-	-	-
Provisions	14	10.50	3.99	10.42	1.58
Deferred Tax Liabilities (Net)	15	23.91	27.31	20.84	25.90
Other Non-Current Liabilities	16	5.65	5.39	8.17	4.43
Total Non-Current Liabilities		193.15	205.90	178.72	195.51
Current Liabilities					
Financial Liabilities					
Borrowings	13	1,631.33	1,422.72	1,277.46	665.12
Trade Payables	17	617.39	1,000.59	814.75	597.41
Other Financial Liabilities	18	25.34	13.39	22.62	34.67
Other Current Liabilities	16	45.99	170.02	19.27	41.60
Provisions	14	19.85	3.34	2.60	0.54
Income Tax Liabilities	19	42.18	32.75	38.21	32.59
Total Current Liabilities		2,382.07	2,642.81	2,174.92	1,371.93
Total Equity and Liabilities		3,324.57	3,547.95	2,931.15	2,008.41

Significant Accounting Policies

1

The accompanying notes referred above form an integral part of Restated Consolidated Financial Statements

As per our report of even date attached

For Shah & Taparia
 Chartered Accountants
 FRN: 109463W

For and on behalf of Board of Directors
Mukka Proteins Limited
Bharat Joshi
Kalandan
Mohammed Haris
Kalandan
Mohammed Althaf
Mehaboobsab
Chalyal

 Partner
 M.No. 130863

 Managing Director &
 CEO
 DIN : 03020471

 Chief Financial
 Officer
 DIN : 03051103

 Company Secretary
 ACS No. A67502

 Place : Mumbai
 Date : 16.03.2022

 Place: Mangaluru
 Date: 16.03.2022

MUKKA PROTEINS LIMITED

(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)

Annexure II
CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	in Million			
		Period ended 30th September, 2021 Restated	Year ended 31st March, 2021 Restated	Year ended 31st March, 2020 Restated	Year ended 31st March, 2019 Restated
REVENUE					
Revenue from Operations	20	2,652.36	6,038.34	5,492.48	4,087.89
Other Income	21	25.71	99.39	78.42	29.01
Total Revenue		2,678.07	6,137.73	5,570.90	4,116.90
EXPENSES					
Cost of Materials Consumed	22	1,781.80	5,483.09	4,724.34	3,868.86
Changes in Inventories of Finished Goods	23	352.59	(345.64)	3.94	(405.16)
Employees Benefit Expenses	24	88.74	149.67	83.10	58.68
Finance Costs	25	48.92	80.21	72.08	43.38
Depreciation & Amortization Expenses	26	50.78	83.43	46.91	24.29
Other Expenses	27	261.82	532.43	443.23	331.93
Total Expenses		2,584.65	5,983.17	5,373.59	3,921.98
Profit Before Tax and Exceptional Items		93.42	154.56	197.31	194.92
EXCEPTIONAL ITEMS	28	-	-	-	(6.89)
Profit Before Tax		93.42	154.56	197.31	188.03
Tax Expenses :					
Current Tax		33.52	27.69	45.16	43.78
Earlier years		-	12.70	19.46	-
Deferred Tax		(0.79)	4.06	(3.06)	7.44
Profit for the period		60.69	110.10	135.74	136.81
Other Comprehensive Income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the net defined benefit plans		(6.14)	7.15	(5.98)	0.24
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(5.51)	4.48	(0.21)	(2.86)
Total other comprehensive income		(11.66)	11.63	(6.20)	(2.62)
Total comprehensive income for the period		49.03	121.73	129.54	134.19
Profit for the year attributable to:					
Shareholders of the Company		75.99	89.76	131.76	142.90
Non-controlling interests		(15.30)	20.34	3.98	(6.09)
Other comprehensive income for the year attributable to:					
Shareholders of the Company		(9.62)	9.97	(6.12)	(1.76)
Non-controlling interests		(2.04)	1.66	(0.08)	(0.86)
Earnings per Equity Share : Basic	31	0.28	0.50	0.62	0.62
Earnings per Equity Share : Diluted		0.28	0.50	0.62	0.62

Significant Accounting Policies

1

The accompanying notes referred above form an integral part of Restated Consolidated Financial Statements

As per our report of even date attached

For Shah & Taparia

Chartered Accountants

FRN: 109463W

For and on behalf of Board of Directors
Mukka Proteins Limited
Bharat Joshi

Partner

M.No. 130863

Place : Mumbai

Date : 16.03.2022

**Kalandan
Mohammed Haris**

 Managing Director &
CEO

DIN : 03020471

**Kalandan
Mohammed
Althaf**

 Chief Financial
Officer

DIN : 03051103

**Mehaboobsab
Chalyal**

Company Secretary

ACS No. A67502

Place: Mangaluru

Date: 16.03.2022

MUKKA PROTEINS LIMITED
(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)
Annexure III
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED
(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	in Million			
		Period Ended 30th September 2021 Restated	Year Ended 31st March 2021 Restated	Year Ended 31st March 2020 Restated	Year Ended 31st March 2019 Restated
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax		93.42	154.56	197.31	188.03
Adjustment for :					
Depreciation / Amortization		50.78	83.43	46.91	24.29
Interest Expenses		37.58	73.27	57.19	40.73
Interest on Capital & Remuneration from partnership firm		-	(11.70)	(8.24)	(3.59)
Rent Received		(1.00)	(2.52)	(6.30)	(3.33)
Deferred Subsidy		-	(0.30)	(0.30)	(0.32)
Interest Income		(0.09)	(5.01)	(1.77)	(2.43)
(Profit)/ Loss on Sale of Fixed Assets		(0.00)	(3.34)	-	0.20
Share of Profit/Loss of Associate and Joint Venture		(10.85)	(38.21)	(24.39)	(6.33)
		<u>76.42</u>	<u>95.62</u>	<u>63.09</u>	<u>49.20</u>
Operating profit before working capital changes		<u>169.84</u>	<u>250.18</u>	<u>260.40</u>	<u>237.23</u>
Adjustment for :					
Inventories		351.09	(347.80)	(250.55)	(405.16)
Trade and Other Receivables		(87.11)	(136.50)	(393.27)	(155.65)
Trade Payables		(383.20)	185.84	217.34	98.91
Other Current Liabilities		(123.78)	148.27	(18.29)	41.33
Provisions		9.30	5.94	4.70	(1.99)
Other Financial liabilities		11.96	(9.24)	(12.05)	27.97
		<u>(221.74)</u>	<u>(153.50)</u>	<u>(452.12)</u>	<u>(394.59)</u>
Net Cash Generated from Operating activity		<u>(51.90)</u>	<u>96.68</u>	<u>(191.73)</u>	<u>(157.36)</u>
Income Tax Paid		(24.10)	(45.85)	(58.99)	(45.33)
Net Cash from operating activities		<u>(76.00)</u>	<u>50.82</u>	<u>(250.71)</u>	<u>(202.70)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets / capital works-in-progress		(37.64)	(106.77)	(363.95)	(190.52)
Sale proceeds from FA		0.04	4.51	-	0.70
Interest received		0.09	5.01	1.77	2.43
Interest on Capital & Remuneration Received from firm		-	11.70	8.24	3.59
Share of Profit/Loss of Associate and Joint Venture		10.85	38.21	24.39	6.33
Rent Received		1.00	2.52	6.30	3.33
Net (Increase) / Decrease in Investments		(22.57)	(82.55)	43.52	(57.49)
Net cash used in investing activities		<u>(48.23)</u>	<u>(127.37)</u>	<u>(279.72)</u>	<u>(231.61)</u>
C. CASH FLOW FROM FINANCIAL ACTIVITIES					
Changes in borrowings - Non Current		(16.12)	29.92	(24.30)	106.23
Interest Paid		(37.58)	(73.27)	(57.19)	(40.73)
Changes in borrowings - Current		208.60	145.26	612.34	268.38
Proceeds from Issue of Shares to Non Controlling Interest		(0.00)	0.00	6.99	8.07
Net Cash from financial activities		<u>154.90</u>	<u>101.91</u>	<u>537.85</u>	<u>341.96</u>
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>30.68</u>	<u>25.37</u>	<u>7.41</u>	<u>(92.36)</u>
Cash and Cash equivalents at the beginning		41.88	16.51	9.10	101.46
Cash and Cash equivalents at the close		<u>72.56</u>	<u>41.88</u>	<u>16.51</u>	<u>9.10</u>

Significant Accounting Policies

1

The accompanying notes referred above form an integral part of Restated Consolidated Financial Statements

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of Board of Directors
Mukka Proteins Limited

Bharat Joshi

Partner

M.No. 130863

Place : Mumbai

Date : 16.03.2022

Kalandan Mohammed Haris Managing Director & CEO DIN : 03020471	Kalandan Mohammed Althaf Chief Financial Officer DIN : 03051103	Mehaboobsab Chalyal Company Secretary ACS No. A67502
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Place: Mangaluru

Date: 16.03.2022

MUKKA PROTEINS LIMITED
(Earlier known as MUKKA SEA FOOD INDUSTRIES LIMITED /MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED)
Annexure IV
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, AS STATED
(All amounts in ₹ million, unless otherwise stated)

A. Equity Share Capital		in Million			
Particulars	Note No.	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting period / year	11	55.00	55.00	55.00	55.00
Changes in equity share capital due to prior reporting errors		-	-	-	-
Restated balance at the beginning of the reporting period/year		55.00	55.00	55.00	55.00
Changes in equity share capital during the period/year					
Balance at the end of the reporting period/year		55.00	55.00	55.00	55.00

Particulars	Attributable to Owners				Total equity attributable to equityholders of company	Non Controlling Interest	Total
	Reserves & Surplus		Other Comprehensive Income				
	Retained earnings	Legal Reserve (Oman)	Remeasurement of Defined Benefit Liabilities	Exchange differences on translation of foreign operations			
At 31st March 2018	243.56	-	0.16	-	243.72		243.72
Changes in equity in 2018-19							
Addition during the year	-	-	-	-	-	8.07	8.07
Profit/(loss) for the year	142.90	-	-	-	142.90	(6.09)	136.81
Other comprehensive income for the year	-	-	0.24	(2.00)	(1.76)	(0.86)	(2.62)
At 31st March 2019	386.46	-	0.40	(2.00)	384.86	1.12	385.98
Changes in equity in 2019-20							
Addition during the year	-	-	-	-	-	6.99	6.99
Profit/(loss) for the year	131.76	-	-	-	131.76	3.98	135.74
Other comprehensive income for the year	-	-	(5.98)	(0.13)	(6.12)	(0.08)	(6.20)
At 31st March 2020	518.22	-	(5.59)	(2.13)	510.50	12.01	522.51
Changes in equity in 2020-21							
Addition during the year	-	-	-	-	-	0.00	0.00
Profit/(loss) for the year	89.76	-	-	-	89.76	20.34	110.10
Other comprehensive income for the year	-	-	7.15	2.82	9.97	1.66	11.63
At 31st March 2021	607.98	-	1.57	0.69	610.23	34.01	644.24
Changes in equity for the Period 30 Sep 21							
Addition During the year	-	1.07	-	-	1.07	-	1.07
Profit/(loss) for the year	75.99	-	-	-	75.99	(15.30)	60.69
Other comprehensive income for the year	-	-	(6.14)	(3.47)	(9.62)	(2.04)	(11.66)
At 30th September 2021	683.97	1.07	(4.58)	(2.79)	677.68	16.67	694.35

Significant Accounting Policies

1

The accompanying notes referred above form an integral part of Restated Consolidated Financial Statements

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of Board of Directors
Mukka Proteins Limited

Bharat Joshi

Partner
M.No. 130863

Place : Mumbai
Date : 16.03.2022

Kalandan Mohammed Haris	Kalandan Mohammed Althaf	Mehaboobsab Chalyal
Managing Director & CEO	Chief Financial Officer	Company Secretary
DIN : 03020471	DIN : 03051103	ACS No. A67502

Place: Mangaluru
Date: 16.03.2022

MUKKA SEA FOOD INDUSTRIES PRIVATE LIMITED**Annexure V****NOTES TO CONSOLIDATED RESTATED FINANCIAL INFORMATION****NOTE - 1 : Preparation of Financial Statements****(A) Corporate Information**

Mukka Proteins Limited (Earlier Known as Mukka Sea Foods Industries Ltd) is leading Manufacturer and Exporter of Fish Meal and Fish oil in International Market. Their Business is extended to manufacture of High Quality fish meal and Omega-3 fish oil which is used to aqua feed, poultry feed, pet feed, EPA-DHA extraction, animal feed, soap manufacture, leather tanneries & Paint industries across globally.

(B) Basis of Presenting Financial Statements**(I) Statement of compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018 in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

(II) Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (as amended). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Effective April 1, 2018, the Company has voluntarily adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(C) Principles of consolidation and equity accounting**(i) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control. This is generally the case where group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount

of the investment. When the group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment in accordance with the impairment policy.

(iv) Changes in Ownership Interest

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity. When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(III) Foreign Currency Translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using average exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(IV) Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are as follows:-

- i. Estimation of defined benefit obligation
- ii. Useful life of PPE, investment property and intangible assets
- iii. Identification of Government Grants
- iv. Estimation of tax expenses and tax payable
- v. Probable outcome of matters included under Contingent liabilities

(C) Summary of Significant Accounting Policies.

(I) Revenue recognition

a The company derives revenue mainly from Domestic and Export Sales of Fish Meal, Fish Oil and Fish Soluble Paste. Effective 01st April 2018, the company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the full retrospective approach. Accordingly, the comparative amounts of revenue have been retrospectively adjusted.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of the contract.

b **Export incentives** : Export Incentives under various schemes are accounted in the year of export.

c Interest income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

d Rental income / lease rentals are recognized on accrual basis in accordance with the terms of agreements.

e Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

f Other Income are recognized on accrual basis.

(II) Government Grants

a Government Grants Government grants (including export incentives and incentives on specified goods manufactured in the eligible unit) are recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

b Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to the statement of Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

(III) 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.

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 statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset 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 liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set 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.

(IV) Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(V) Impairment of assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating Unit) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(VI) Cash and Cash Equivalent

For the purpose of preparing the statement of cash flows, cash equivalents encompasses all highly liquid assets which are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents represent cash on hand and unrestricted balance with bank. Overdrawn balances that fluctuate from debit to credit during the year are included in cash and cash equivalents.

(VII) Trade Receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

(VIII) Inventories

Items of inventories consisting of finished goods produced or purchased, raw materials, consumables and packing materials are carried at lower of cost and realisable value after providing for obsolescence, if any. Cost of finished goods produced or purchases comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, consumables and packing materials are determined on weighted average basis.

(IX) Investments and other financial assets

(a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

(c) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(X) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and are included in other gains/(losses).

Forward Contracts

Profit/loss from Forward contract is recognised on the difference between the exchange rate as on date of entering into contract and date of cancellation of contract.

(XI) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

(XII) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related cumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation and amortisation.

Depreciation is provided using Straight Line Method in the manner and at the rates prescribed under Part C Schedule II of the Companies Act, 2013, or as per the useful lives of the assets estimated by the management. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the company for its use. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(XIII) Intangible assets**(a) Initial Recognition**

Intangible Assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition

(b) Subsequent Recognition

Intangible Assets are carried at cost less accumulated amortisation and impairment loss, if any.

(c) Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Software - 3 Years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Indefinite life intangibles mainly consist of brands. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not the change in useful life from indefinite to finite is made on a prospective basis.

(d) Derecognition

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

(XIV) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms. They are recognised initially at their fair value and subsequently measured at amortised cost.

(XV) Borrowings

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(XVI) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets which takes substantial period of time to get ready for its intended use is capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the year in which they are incurred. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset will be determined as the actual borrowing costs incurred on that borrowing during the period less any income on the temporary investment of those borrowings. To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation will be determined by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the enterprise that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

(XVII) Provisions, Contingent Liabilities & Contingent Assets.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized but are disclosed in Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(XVIII) Employee benefits

Liabilities for Salaries and Wages to employees are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related service and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(a) Short Term Employee Benefits.

Employee benefits payable wholly within twelve months of rendering of the service are classified as short term employees benefits and are recognised in the period in which the employee renders the related service.

(b) Defined Contribution Plan:

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred.

(c) Defined Benefits Plan:

Post employment and other long term employee benefits in the form of Gratuity is considered as defined benefit obligation.

Gratuity

Gratuity is provided for the year under Defined Benefit Plan as per the Actuarial valuation. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

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. They are adjusted to retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(XIX) Contribution Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(XX) Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(XXI) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees as per the requirement of Schedule III, unless otherwise stated.

Annexure V
NOTES TO CONSOLIDATED RESTATED FINANCIAL STATEMENTS
(All amounts in ₹ million, unless otherwise stated)

2 Property, Plant and Equipment

Particulars	Freehold land	Building	Plant and Machinery	Furniture & Fixture	Vehicles	Computers	Office Equipments	Total
in Million								
Cost								
As at 31 March 2018	54.02	74.55	222.41	1.24	20.11	1.83	-	374.16
Additions	-	71.59	110.57	5.41	5.71	1.72	2.63	197.64
Disposals	-	0.15	-	-	3.82	-	-	3.97
As at 31 March 2019	54.02	145.99	332.98	6.65	22.00	3.55	2.63	567.83
Additions	-	24.47	332.02	0.95	23.55	0.47	4.63	386.08
Translation Difference	-	1.11	3.58	0.04	0.04	-	-	4.78
Disposals	-	-	-	-	-	-	-	-
As at 31 March 2020	54.02	171.57	668.58	7.64	45.59	4.02	7.26	958.68
Additions	-	38.23	46.87	0.84	12.74	0.19	2.68	101.55
Translation Difference	-	(0.50)	(6.78)	(0.23)	(0.02)	-	-	(7.52)
Disposals	-	5.86	-	-	-	-	-	5.86
As at 31 March 2021	54.02	203.44	708.67	8.25	58.31	4.21	9.94	1,046.85
Additions	-	7.26	59.76	-	0.12	0.03	0.10	67.27
Translation Difference	-	0.29	3.80	0.02	0.27	-	-	4.37
Disposals	-	-	-	-	0.34	-	-	0.34
As at 30 September 2021	54.02	210.99	772.23	8.27	58.36	4.24	10.04	1,118.15
Depreciation								
As at 31 March 2018	-	3.37	58.02	0.83	7.98	1.71	-	71.92
Depreciation charged for the year	-	3.54	17.16	0.24	2.45	0.19	0.18	23.75
Deduction during the year	-	0.15	-	-	2.93	-	-	3.08
As at 31 March 2019	-	6.75	75.18	1.07	7.50	1.90	0.18	92.59
Depreciation charged for the year	-	5.04	34.84	0.70	4.36	0.61	0.82	46.37
Translation Difference	-	0.07	0.58	0.01	0.06	-	-	0.72
Acquired on Conversion	-	1.82	41.71	0.06	6.46	0.01	-	50.06
Deduction during the year	-	-	-	-	-	-	-	-
As at 31 March 2020	-	13.69	152.31	1.83	18.38	2.53	1.00	189.74
Depreciation charged for the year	-	6.73	66.24	0.92	6.96	0.67	1.38	82.89
Translation Difference	-	(0.05)	(0.86)	(0.05)	(0.05)	-	-	(1.01)
Deduction during the year	-	0.36	-	-	-	-	-	0.36
As at 31 March 2021	-	20.01	217.68	2.70	25.29	3.20	2.38	271.27
Depreciation charged for the year	-	3.98	40.91	0.44	3.97	0.34	0.81	50.44
Translation Difference	-	0.04	0.92	0.01	0.08	-	-	1.05
Deduction during the year	-	-	-	-	0.07	-	-	0.07
As at 30th September 2021	-	24.03	259.51	3.15	29.27	3.53	3.20	322.70
Net book value								
As at 31 March 2019	54.02	139.23	257.80	5.58	14.50	1.65	2.45	475.24
As at 31 March 2020	54.02	157.88	516.27	5.81	27.21	1.49	6.26	768.94
As at 31 March 2021	54.02	183.43	490.99	5.55	33.02	1.01	7.56	775.58
As at 30 September 2021	54.02	186.96	512.72	5.12	29.09	0.70	6.85	795.46

Net Book Value	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Plant, Property and Equipment	795.46	775.58	768.94	475.24
Capital work in progress	8.09	40.28	21.85	-

2 Capital Work in Progress

Net Book Value	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Opening Balance	40.28	21.85	-	7.44
Additions :				
Plant and Machinery	8.09	44.70	21.85	-
Building	-	-	-	-
	8.09	44.70	21.85	-
Less : - Capitalised during the year	40.28	26.26	-	7.44
Closing Balance	8.09	40.28	21.85	-

For Capital-work-in-progress, the ageing schedule is as given below: (as per amended schedule III)

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Projects in progress:				
Less than 1 year	8.09	40.28	21.85	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
More than 3 year	-	-	-	-
Total	-	-	-	-

For Capital-work-in-progress whose completion is overdue, the completion ageing schedule is as given below:

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Projects in progress:				
Less than 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
More than 3 year	-	-	-	-
Total	-	-	-	-

2 Intangible Assets

` in Million

Particulars	Computer Software	Total
At 31 March 2018	0.45	0.45
Addition	0.32	0.32
Disposals	-	-
At 31 March 2019	0.77	0.77
Addition	0.01	0.01
Disposals	-	-
At 31 March 2020	0.78	0.78
Addition	0.04	0.04
Disposals	-	-
At 31 March 2021	0.82	0.82
Addition	-	-
Disposals	-	-
At 30 September 2021	0.82	0.82
Depreciation		
As at 31 March 2018	0.17	0.17
Depreciaton for the year	0.13	0.13
As at 31 March 2019	0.30	0.30
Depreciaton for the year	0.13	0.13
As at 31 March 2020	0.43	0.43
Depreciaton for the year	0.13	0.13
As at 31 March 2021	0.56	0.56
Depreciaton for the year	0.13	0.13
As at 30 September 2021	0.69	0.69
Net book value		
As at 31 March 2019	0.46	0.46
As at 31 March 2020	0.34	0.34
As at 31 March 2021	0.26	0.26
As at 30 September 2021	0.13	0.13

3 Investment Properties

` in Million

Particulars	As at September 30, 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Building	14.22	14.63	15.03	15.44
Details of Investment properties				
Gross carrying amount	14.22	14.63	15.03	15.44
Add: Additions during the year	-	-	-	-
	14.22	14.63	15.03	15.44
Less : Depreciation charge	0.20	0.41	0.41	0.41
	14.02	14.22	14.63	15.03

4 Financial Instruments

in Million

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
Investments					
I. Investment carried As per Equity Method					
(i) Equity instruments (unquoted) in Associate					
M.S.F.I Bangladesh Ltd. 14,700 (31st March 2021 : 14,700) (31st March 2020 : 14,700) (31st March 2019 : 14,700) No of Shares of M.S.F.I Bangladesh Ltd.	1.02	1.02	1.02	1.02	
(ii) Investment in Government Securities					
National Saving Certificate	0.01	0.01	0.01	0.01	
II. Investment carried at fair value through profit and loss					
(iii) Investment in Partnership Firms					
KGN Marine Products	(0.50)	(0.50)	0.17	34.07	
Progress Forzen and Fish Sterilization	56.27	51.53	33.74	-	
Pacific Marine Products	16.30	4.60	-	-	
Manglore Fish Meal and Oil Company	40.60	34.15	-	-	
Ullal Fishmeal and Oil Company	26.36	26.68	-	-	
Altantic Marine Products	-	-	-	43.36	
Total non-current investments					
Aggregate amount of unquoted investments	1.02	1.02	1.02	1.02	
Aggregate amount of investment in Partnership firms	139.03	116.46	33.91	77.43	
Aggregate amount of investment in Government Securities	0.01	0.01	0.01	0.01	
Investment in Partnership Firms					
(i) KGN Marine Products					
Name of the Partners	Share %	Capital as on			
		30.09.2021	31.03.2021	31.03.2020	31.03.2019
Musthak Haji Majid Vadhriya	17.50%	0.13	0.14	0.54	4.12
Musthakim Mustak Vadhriya	17.50%	0.14	0.14	0.53	5.80
Ahmed Haji Rafik Vadhriya	12.50%	(0.25)	0.20	0.41	4.03
Mohammed Haji Rafik Vadhriya	12.50%	0.11	0.32	0.53	4.65
Mohammed Hanif Yusuf Kapdiya	20.00%	(0.50)	(0.50)	0.17	6.42
Mukka Sea food industries Pvt. Ltd	20.00%	(0.50)	(0.50)	0.17	34.07
(ii) Altantic Marine Products					
Name of the Partners	Share %	Capital as on			
		30.09.2021	31.03.2021	31.03.2020	31.03.2019
Mukka Sea Food Industries Pvt Ltd	51.00%	NA	NA	NA	43.36
Nanubhai Harjibhai Baraiya	49.00%	NA	NA	NA	34.10
					77.46
(iii) Progress Forzen and Fish Sterilization					
Name of the Partners	Share %	Capital as on			
		30.09.2021	31.03.2021	31.03.2020	
Rafic Hajimajid Vadhriya	7.00%	7.09	6.41	5.70	NA
Musthakim Mustak Vadhriya	14.00%	8.99	10.50	10.50	NA
Musthak Haji Majid Vadhriya	14.00%	9.63	11.09	9.77	NA
Ahmed Rafik Vadhriya	7.00%	7.85	8.59	8.65	NA
Mohammed Haji Rafik Vadhriya	7.00%	7.91	8.16	9.21	NA
Mukka Sea food industries Pvt. Ltd	51.00%	56.27	51.53	33.74	NA
(iv) Pacific Marine Products					
Name of the Partners					
Mukka Sea food industries Pvt. Ltd	31.33%	16.30	4.60	NA	NA
Kalandan Mohammed Haris	1.00%	(0.00)	(0.00)	NA	NA
K. Mohammed Altaf	1.00%	(0.00)	(0.00)	NA	NA
Vadhriya Ahmed Rafik	8.34%	0.48	(0.01)	NA	NA
Narsinbhai Harjibhai Baraiya	11.11%	0.48	(0.01)	NA	NA
Vadhriya Mustak Hajimajid	8.34%	1.48	(0.01)	NA	NA
Vadhriya Mohammed Rafik	8.34%	1.04	0.49	NA	NA
Vadhriya Mustakim Mustak	8.34%	0.48	(0.01)	NA	NA
Baraiya Ramsinbhai harjibhai	11.11%	0.48	(0.01)	NA	NA
Nanubhai Harjibhai baraiya	11.11%	1.12	0.07	NA	NA
(iv) Ullal Fishmeal and Oil Company					
Name of the Partners					
Mukka Sea food industries Pvt. Ltd	96.00%	26.36	26.68	NA	NA
K Abdul Razak	1.00%	0.17	0.17	NA	NA
Kalandan Mohammed Haris	1.00%	0.22	0.22	NA	NA
K Mohammed Althaf	1.00%	0.24	0.22	NA	NA
K. Mohammed Arif	1.00%	(4.33)	0.17	NA	NA

Loan (Unsecured considered good unless otherwise stated)	30.09.2021	31.03.2021	31.03.2020	31.03.2019
Loans	207.82	182.29	215.88	69.29
Staff advances	3.40	2.65	2.07	1.07
Total Loans	211.22	184.94	217.95	70.36
Current	210.44	184.63	217.48	69.77
Non - Current	0.78	0.31	0.48	0.59
Other financial assets				
Security Deposit	36.96	12.09	12.38	6.14
Rent Receivable	6.20	12.67	6.55	6.75
Insurance Receivable	25.83	25.83	25.83	37.11
Export Benefit Receivables	45.90	50.81	31.75	28.00
Interest Receivables	-	4.14	3.01	-
Other Receivables	11.11	0.71	4.05	-
Total Other financial assets	126.00	106.25	83.57	77.99
Current	113.81	93.57	69.39	71.86
Non - Current	12.19	12.68	14.18	6.14

Details of Loan Given Type of Borrower	As at September 20, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	200.74	95.04%	146.23	79.07%	187.38	85.97%	57.1	81.15%

5 Income Tax Asset

Particulars	As at September 20, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Advances with Revenue Authorities	12.94	12.68	14.57	10.50
Income Tax Refund Receivable	0.37	0.65	0.28	-
	13.31	13.33	14.85	10.50

6 Inventories (Valued at Weighted average cost)

Particulars	As at September 20, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Finished Goods	1,147.61	1,498.69	1,150.89	900.34
Total Inventories	1,147.61	1,498.69	1,150.89	900.34

7 Trade Receivables

Particulars	in Million			
	As at September 20, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade receivables outstanding for a period exceeding six months from due date	0.54	1.46	1.39	2.10
Debts outstanding for a period less than six months from the date they became due for payment	413.05	477.40	348.59	282.81
Total trade receivables	413.59	478.86	349.97	284.91
Breake-up for security details :				
<u>Trade Receivables</u>				
Secured, considered good	-	-	-	-
Unsecured, considered good	413.59	478.86	349.97	284.91
Doubtful	-	-	-	-
	413.59	478.86	349.97	284.91
Impairment allowed				
(allowance for bad and doubtful debts)				
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
	-	-	-	-

Included due from related parties (refer note. No.35)	-	-	-	98.21
Total Trade Receivable form related Parties	-	-	-	98.21
Less: allowance for credit losses	-	-	-	-
Net Trade receivable from related parties	-	-	-	98.21

For trade receivables outstanding, the ageing schedule is as given below: (as per amended schedule III)

As at September 30, 2021

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	413.05	0.02	-	-	0.52	413.59
(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	-	-	-	-	-	-

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	477.40	0.92	-	-	0.536	478.85
(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	-	-	-	-	-	-

As at March 31, 2020

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	348.59	-	-	1.39	-	349.98
(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	-	-	-	-	-	-

As at March 31, 2019

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	282.81	-	2.10	-	-	284.91
(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	-	-	-	-	-	-

8 Cash and cash equivalent

Particulars	As at September 20, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balances with Bank				
- on current account	45.82	25.48	13.45	6.29
Cash in hand	4.20	6.05	1.46	0.62
Total	50.02	31.53	14.91	6.91

9 Other Bank Balance

Particulars	As at September 20, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
FDRs with Bank				
- Fixed Deposit Receipts	22.54	10.35	1.60	2.19
Total	22.54	10.35	1.60	2.19

10 Other Current Assets

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance With Government Authorities : GST	15.98	77.67	58.80	46.45
Prepaid Expenses	17.14	17.57	10.16	4.80
Other Receivable	3.38	1.80	1.88	-
Advances Given to Suppliers	346.02	179.12	185.85	34.76
Total Other Current Assets	382.52	276.16	256.69	86.00

11 Share Capital
Authorised Share Capital

Particulars	Equity Shares	
	No. of Shares	in Million
At 31 March 2018	7,00,000	70.00
Increase during the year	1,00,000	10.00
At 31 March 2019	8,00,000	80.00
Increase during the year	-	-
At 31 March 2020	8,00,000	80.00
Increase during the year	-	-
At 31 March 2021	8,00,000	80.00
Increase during the year	-	-
At 30 September 2021	8,00,000	80.00

Issued, Subscribed and Paid up

Particulars	in Million			
	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
550,000 Equity Shares of Rs.100/- each fully paid with Voting rights				
Balance at the beginning of the period / year	55.00	55.00	55.00	55.00
Changes in equity share capital during the period/year	-	-	-	-
	55.00	55.00	55.00	55.00

The Company has only one type of equity share having par value of Rs. 100/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(i) The details of shareholders holding more than 5% shares as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 is set out below:

Name of Shareholder's	As at 30th September 2021		As at 31st March 2021	
	Number of shares	% holding	Number of shares	% holding
Mr. K Mohammed Haris	2,26,717	41.22%	2,26,717	41.22%
Mr. K Mohammed Althaf	1,21,001	22.00%	1,21,001	22.00%
Mr. K Mohammed Arif	1,21,001	22.00%	1,21,001	22.00%
Mr. K Mohammed Razak	55,000	10.00%	55,000	10.00%

Name of Shareholder's	As at 31st March 2020		As at 31st March 2019	
	Number of shares	% holding	Number of shares	% holding
Mr. K Mohammed Haris	2,26,717	41.22%	2,26,718	41.22%
Mr. K Mohammed Althaf	1,21,001	22.00%	1,21,002	22.00%
Mr. K Mohammed Arif	1,21,001	22.00%	1,21,002	22.00%
Mr. K Mohammed Razak	55,000	10.00%	55,000	10.00%

(ii) The details of shareholding of promoters as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 is set out below: (as per amended schedule III)

Name of Promoter shareholder	As at 30th September 2021		As at 31st March 2021	
	Number of shares	% holding	Number of shares	% holding
Mr. K Mohammed Haris	2,26,717	41.22%	2,26,717	41.22%
Mr. K Mohammed Althaf	1,21,001	22.00%	1,21,001	22.00%
Mr. K Mohammed Arif	1,21,001	22.00%	1,21,001	22.00%

Name of Promoter shareholder	As at 31st March 2020		As at 31st March 2019	
	Number of shares	% holding	Number of shares	% holding
Mr. K Mohammed Haris	2,26,717	41.22%	2,26,718	41.22%
Mr. K Mohammed Althaf	1,21,001	22.00%	1,21,002	22.00%
Mr. K Mohammed Arif	1,21,001	22.00%	1,21,002	22.00%

(iii) The reconciliation of the number of shares outstanding and amount as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 is set out below:

Particulars	As at 30th September 2021		As at 31st March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 100/- each fully paid up				
Number of shares in the beginning	5,50,000	55.00	5,50,000	55.00
Add: shares issued during the period/year	-	-	-	-
Number of shares at the end	5,50,000	55.00	5,50,000	55.00

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 100/- each fully paid up				
Number of shares in the beginning	5,50,000	55.00	5,50,000	55.00
Add: shares issued during the period/year	-	-	-	-
Number of shares at the end	5,50,000	55.00	5,50,000	55.00

12 OTHER EQUITY

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
a) RESERVE AND SURPLUS :				
Surplus/(Deficit) in Statement of Profit & Loss				
Opening Balance	607.98	518.22	386.46	243.56
Less : Adjustment for transfer of assets do not form part of the transaction envisaged under the Share Purchase Agreement				
Add: Profit/(Loss) for the year	75.99	89.76	131.76	142.90
Retained Earnings	683.97	607.98	518.22	386.46
b) Other Comprehensive Income				
Opening Balance	2.25	(7.72)	(1.60)	0.16
Remeasurement of Defined Benefit Liability	(6.14)	7.15	(5.98)	0.24
Exchange difference on transaction of foreign operations	(3.47)	2.82	(0.13)	(2.00)
	(7.36)	2.25	(7.72)	(1.60)
c) Legal Reserve (Oman)				
Opening Balance	-	-	-	-
Add: Addition during the year	1.07	-	-	-
	1.07	-	-	-
	677.68	610.23	510.50	384.86

13 Borrowings

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings				
Vehicle Loan				
From Banks				
- Canara Bank	-	-	-	4.57
- Kotak Bank	-	-	97.71	-
- HDFC Bank	3.04	3.32	-	-
HDFC	20.00	20.00	-	-
YES Bank WCTL Loan	56.86	75.28	-	-
HDFC Business Loan	2.09	4.03	7.50	-
HDFC Bank FCTL OMAN	87.66	97.49	-	-
From other parties				
- Loan from Directors	3.97	4.68	23.59	136.29
- Loan from Others	18.63	23.85	43.40	23.85
Current Maturity of Long Term Debts (Secured)	(39.15)	(59.44)	(32.92)	(1.11)
Total non-current borrowings	153.09	169.21	139.30	163.59
Current Borrowings				
Current Maturity of Long Term Borrowings	39.15	59.44	32.92	1.11
Packing Credit				
From Banks				
- Canara Bank	-	-	-	631.29
- HDFC Bank	148.35	133.61	430.71	-
- Kotak Mahindra Bank	-	-	346.16	-
- Yes Bank INR PCFC	160.18	145.45	-	-
- Yes Bank INR PC	238.16	59.00	100.59	-
- Packing Credit Inr Hdfc Bank	548.47	561.01	-	-
Bank Borrowings - Oman	29.60	-	-	-
Cash Credit Facility				
HDFC bank	160.23	199.77	210.33	-
Export Bill Discounting				
- Canara Bank	-	-	-	32.72
- Yes Bank	-	51.86	-	-
Treds Reverse Factoring	46.02	-	-	-
Overdraft				
HDFC Bank OD	83.46	94.76	-	-
Unsecured				
From Related Parties	177.70	117.82	156.75	-
Net current borrowings	1,631.33	1,422.72	1,277.46	665.12
Aggregate Secured loans	1,536.02	1,441.55	1,185.51	668.58
Aggregate Unsecured loans	248.40	150.38	231.25	160.13

Note: The payment terms of the Car Loan from bank is as follows:
Mukka Proteins Limited

BANK DETAILS / LOANS	Carrying rate of interest as at				REPAYMENT SCHEDULE OF LOAN	SECURITY PROVIDED
	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019		
Vehicle Loan						
From Banks						
- Canara Bank	NA	NA	NA	9.5%	60 Months EMI of Rs. 123533/-	Hypothecation of BMW X5 M SPORTS CAR valued at Rs.75,15,626/
- HDFC Bank	7.30%	7.30%	NA	NA	60 Months EMI of Rs. 66148/-	Hypothecation of KIA CARNIVAL valued at Rs.32,75,000/
Term Loan						
- YES Bank WCTL Loan	8.25%	8.25%	NA	NA	24 Months EMI of Rs. 3070102.71/-	Current assets- Exclusive charge by way of hypothecation of current assets.
Term Loan (Secured-Foreign Currency)						
- Kotak Bank	NA	NA	5.05%	NA	36 Months EMI of USD 43861/-	Movable Fixed assets- Exclusive charge by way of hypothecation of movable fixed assets.
Packing Credit						
From Banks						
- Canara Bank	NA	NA	NA	LIBOR+3.50%	Demand Loan	Industrial Properties(-) (i) 1 Acre of land with Godown in Plot No. 139/A/2, R.S.No. 124/P, Baikampady, Mangalore- 575011. (ii) 62 cents of land with Godown in Plot No. 140CP, Industrial Estate, Baikampady, Mangalore- 575011 (iii) 72 cents of land with Factory in R.S. No. 12/3 & 203/S, No. 49, Surathkal, Mangalore- 575014 (iv) 60 cents of land with Factory in Plot No. 139/A, Industrial Estate, Baikampady, Mangalore- 575011 (v) Factory in 92 cents of land Surathkal no 49
- HDFC Bank (Foreign Currency)	LIBOR+2.50%	LIBOR+2.50%	LIBOR+2.50%	NA	Demand Loan	
- Kotak Mahindra Bank (Foreign Currency)	NA	NA	LIBOR-2.50%	NA	Demand Loan	
- Yes Bank (Foreign Currency)	LIBOR+2.5%	LIBOR+2.5%	NA	NA	Demand Loan	
- Yes Bank	7.95%	7.90%	NA	NA	Demand Loan	
- HDFC Bank	7.90%	9.90%	NA	NA	Demand Loan	
Cash Credit Facility						
HDFC bank	7.90%	9.90%	9.90%	NA	Demand Loan	
Export Bill Discounting						
- Canara Bank	0	0	0	LIBOR+3.50%	Demand Loan	Residential Property(-) (i) 12.90 cents of land and around 3000 sq-ft of BUA in R.S. No.340-213, Attavara Village, Pandeshwar, Mangalore-575001 (ii) 15.90 cents of land and around 5000 sq-ft of BUA -Door No. 19-10-624, Old Kent Road, (BR, Karkera Road), Near Telecom House, Pandeshwar, Mangalore- 575001 (iii) 20 cents of land and around 10000 sq-ft of BUA Door No. 18-2-16/4, R.S. No. 172-2, Attavar Village, Mangalore- 575001 (iv) 75 cents of land and around 3000 sq-ft of BUA in R.S. No. 46-2P1.95, Peramanur Village, Mangalore- 575017
- Yes Bank	NA	LIBOR+2.5%	NA	NA	Demand Loan	
Term Loan (Unsecured)						
- HDFC Business Loan	14.50%	14.50%	14.50%	NA	24 Months EMI of Rs. 363350/-	The above properties are cross-collateralized with exposure of Haris Marine Products Private Limited. Personal Guarantee- of the Directors of the Company: i. Mr. Kalandan Abdul Razak ii. Mr. Kalandan Mohammed Hans iii. Mr. Kalandan Mohammad Arif iv. Mr. Kalandan Mohammed Althaf Corporate Guarantee- of M/s. Haris Marine Products Private Limited.

Atlantic Marine Products Private Limited

BANK DETAILS / LOANS	Carrying rate of interest as at				REPAYMENT SCHEDULE OF LOAN	SECURITY PROVIDED
	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019		
Car Loan						
- Canara Bank	0%	0.00%	-	-	Payable in 60 EMIs	Hypothecation of BMW X5 M SPORTS CAR valued at Rs.75,15,626/
Demand Loan						
Export Bill Discounting						
- Canara Bank	LIBOR+350bps	LIBOR+350bps	LIBOR+350bps		Demand Loan	Primarily Secured By: Hypothecation of Stock of Raw Materials, Packing Materials, Containers and finished goods like sterilised fish meal, fish oil, fish soluble paste. Collaterally secured by: - EMT of landed properties, industrial plots comprising of factory buildings and other commercial properties standing in the name of the Company. - Plant and Machinery and equipments - Personal guarantees of Directors of the company.

Harris Marine Products Private Limited

BANK DETAILS / LOANS	Carrying rate of interest as at				REPAYMENT SCHEDULE OF LOAN	SECURITY PROVIDED
	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019		
<u>Car Loan</u>						
<u>Term Loan</u>						
<u>From Banks</u>						
- <u>HDFC Bank</u>	9.9%	9.9%	NA		12 Months Principal Moratorium Payable in 48 EMIs	over existing primary & collateral securities including mortgage creation in favour of the Bank.
<u>Demand Loan</u>						
- <u>HDFC Bank OD</u>	9.9%	9.9%	9.9%		Demand Loan	Current assets- Exclusive charge by way of hypothecation of current assets. Movable Fixed assets- Exclusive charge by way of hypothecation of movable fixed assets. Industrial Properties- (i) 1 Acre of land with Godown in Plot No. 139/A2, R.S.no. 124/P, Baikampady, Mangalore- 575011. (ii) 62 cents of land with Godown in Plot No. 140CP, Industrial Estate, Baikampady, Mangalore- 575011 (iii) 72 cents of land with Factory in R.S. No. 12/3 & 203/5, No. 49, Surathkal, Mangalore- 575014 (iv) 60 cents of land with Factory in Plot No. 139/A, Industrial Estate, Baikampady, Mangalore- 575011 (v) Factory in 92 cents of land Surathkal no 49 Residential Properties- (i) 12.90 cents of land and around 5000 sq-ft of BUA in R.S. No. 340-213, Attavara Village, Pandeshwar, Mangalore-575001 (ii) 15.90 cents of land and around 5000 sq-ft of BUA -Door No. 19-10-624, Old Kent Road, (BR, Karkera Road), Near Telecom House, Pandeshwar, Mangalore- 575001 (iii) 20 cents of land and around 10000 sq-ft of BUA Door No. 18-2-16/4, R.S. No. 172-2, Attavara Village, Mangalore- 575001 (iv) 75 cents of land and around 3000 sq-ft of BUA in R.S. No. 46-2P1,95, Peramanur Village.

Ocean Aquatic Proteins LLC

BANK DETAILS / LOANS	Carrying rate of interest as at				REPAYMENT SCHEDULE OF LOAN	SECURITY PROVIDED
	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019		
<u>Foreign Currency Term Loan</u>						
- <u>HDFC Bank</u>	4.60%	4.60%	4.60%	4.60%	6 Months Principal Moratorium Payable in 72 EMIs	SBL/ Bank Guarantee - Fully backed by SBL of OMR 0.62 Million from Mukka Sea Food Industries Ltd (which is 100% of FCTL facility of OMR 0.62 million)
<u>Demand Loan</u>						
- <u>HDFC Bank OD</u>	2.5%	2.5%	2.5%	2.5%	Demand Loan	Stock & Receivables- Exclusive Current Assets- Exclusive charge on Stock & Book Debts of the Company Corporate Guarantee - Mukka Sea Food Industries Limited.

14 Provisions

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<u>Provision for employee benefits</u>				
<u>Current</u>				
- Gratuity payable	3.81	0.68	1.82	0.24
- Leave Encashment Payable	-	-	-	-
- Doubtful Loan and Advances	1.58	1.58	0.78	0.30
- Outstanding Charges	14.45	1.08	-	-
<u>Non-Current</u>				
- Gratuity payable	10.50	3.99	10.42	1.58
Total Current provisions	19.85	3.34	2.60	0.54
Total Non-current provisions	10.50	3.99	10.42	1.58
Total Provisions	30.35	7.32	13.02	2.12

15 Deferred Tax Liability

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities (Net)	23.91	27.31	20.84	25.90
	23.91	27.31	20.84	25.90

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities				
Property, plant and equipment, Investment Properties and intangible assets	29.50	29.71	25.93	26.24
Deferred tax assets				
Provision for employee benefits	(5.28)	(2.40)	(5.09)	(0.34)
Carry forward business losses and depreciation	(0.32)	(0.01)	-	-
	23.91	27.31	20.84	25.90

16 Other Liabilities

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deferred Subsidy	4.11	3.85	4.13	4.43
Rent Deposit	1.54	1.54	4.04	-
Advances received from Customers	40.92	158.59	11.68	41.33
Deferred Subsidy	-	0.26	0.28	0.28
Statutory Dues Payable	2.29	4.62	2.64	-
Salary Payable	1.24	1.07	1.39	-
Outstanding charges	1.53	5.48	3.28	-
Current	45.99	170.02	19.27	41.60
Non - Current	5.65	5.39	8.17	4.43

17 Trade payable

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade payable	617.39	1,000.59	814.75	597.41
Total	617.39	1,000.59	814.75	597.41

For trade payables outstanding, the ageing schedule is as given below:

As at September 30, 2021		Outstanding for following periods from due date of payment/date of transaction					Total
Particulars	Unbilled Amount	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(I) MSME	-	56.87	-	-	-	56.87	
(II) OTHERS	-	560.52	-	-	-	560.52	
(III) DISPUTED DUES - MSME	-	-	-	-	-	-	
(IV) DISPUTED DUES - OTHERS	-	-	-	-	-	-	

As at March 31, 2021		Outstanding for following periods from due date of payment/date of transaction					Total
Particulars	Unbilled Amount	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(I) MSME	-	454.60	-	-	-	454.60	
(II) OTHERS	-	545.20	0.79	-	-	545.99	
(III) DISPUTED DUES - MSME	-	-	-	-	-	-	
(IV) DISPUTED DUES - OTHERS	-	-	-	-	-	-	

As at March 31, 2020		Outstanding for following periods from due date of payment/date of transaction					Total
Particulars	Unbilled Amount	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(I) MSME	-	179.55	-	-	-	179.55	
(II) OTHERS	-	635.11	0.09	-	-	635.20	
(III) DISPUTED DUES - MSME	-	-	-	-	-	-	
(IV) DISPUTED DUES - OTHERS	-	-	-	-	-	-	

As at March 31, 2019		Outstanding for following periods from due date of payment/date of transaction					Total
Particulars	Unbilled Amount	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(I) MSME	-	-	-	-	-	-	
(II) OTHERS	-	597.41	-	-	-	597.41	
(III) DISPUTED DUES - MSME	-	-	-	-	-	-	
(IV) DISPUTED DUES - OTHERS	-	-	-	-	-	-	

18 Other Financial Liabilities

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Rent Deposit	3.80	3.80	3.91	3.97
Statutory Dues Payable	16.32	3.37	2.53	2.79
Outstanding Charges	5.22	6.21	16.19	9.03
Payable for Investment in Ocean Aquatic Protein LLC, Oman	-	-	-	18.87
Others	-	-	-	0.00
Current	25.34	13.39	22.62	34.67
Non - Current	-	-	-	-

19 Income Tax Liabilities

Particulars	As at September 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for Income Tax (Net)	42.18	32.75	38.21	32.59
Total	42.18	32.75	38.21	32.59

20 Revenue

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Sales				
Export	191.29	3,817.67	3,245.61	2,542.43
Domestic	2,459.96	2,087.40	2,074.71	1,412.97
Other Non - Operating Income				
Other Operating Income				
Export Benefits	1.96	130.17	170.40	131.54
Discount received	(0.86)	0.38	0.61	0.64
Deferred Income(Subsidy on Machinery)	-	0.30	0.30	0.32
Other	-	2.42	0.86	-
	1.11	133.26	172.16	132.50
	2,652.36	6,038.34	5,492.48	4,087.89

21 Other Income

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Interest Income	0.09	5.01	1.77	2.43
Rent Income	1.00	2.52	6.30	3.33
Foreign Exchange Fluctuation Gain	2.50	32.93	36.42	10.65
Gain on Forward Contract	(3.47)	2.41	-	-
Profit from Firm/Company	10.85	38.21	24.39	6.33
Interest on Capital from Partnership Firm	-	4.05	4.14	2.39
Profit on Sale of Property	0.00	3.34	-	-
Remuneration from Partnership Firm	-	7.65	4.10	1.20
Sundry Balances Written back	0.72	-	-	2.54
Rounding Off	-	-	0.01	-
Other Non - Operating Income	14.02	3.28	1.28	0.13
	25.71	99.39	78.42	29.01

22 COST OF MATERIAL CONSUMED

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cost of Material Consumed	1,781.80	5,483.09	4,724.34	3,841.03
Import Expenses	-	-	-	27.82
Cost of Materials Consumed	1,781.80	5,483.09	4,724.34	3,868.86

23 NOTE - 25 : Change in Inventories

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Finished Goods				
Opening Stock	1,494.89	1,149.25	900.34	495.19
Add: Acquired on Conversion	-	-	252.89	-
Closing Stock	1,142.30	1,494.89	1,149.29	900.34
Change in Inventory	352.59	-345.64	3.94	-405.16

24 NOTE - 26 : EMPLOYEE BENEFITS EXPENSES

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Salaries and Wages	73.37	137.38	71.73	53.79
Contribution to Provident & Other Funds.	9.10	4.91	4.67	1.86
Staff Welfare Expenses	6.26	7.38	6.70	3.04
	88.74	149.67	83.10	58.68

25 NOTE - 27 : FINANCE COST

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Interest Expense	37.58	73.27	57.19	40.73
Other Borrowing Costs	11.34	6.94	14.90	2.65
	48.92	80.21	72.08	43.38

26 Depreciation and Amortization

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Depreciation on property, plant and equipment and Intangible assets.	50.78	83.43	46.91	24.29
	50.78	83.43	46.91	24.29

27 OTHER EXPENSES

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Direct / Manufacturing Expenses				
Consumption of Consumables , Stores & Spares	61.65	34.82	59.24	81.24
Labour Charges	17.04	24.87	24.76	6.52
Power, fuel and Water Charges	15.25	36.39	27.20	14.34
Processing Charges	10.20	-	8.83	6.29
Laboratory Expenses	0.65	1.52	1.28	1.31
Miscellaneous Expenses	10.43	1.01	4.97	0.44
	115.22	98.60	126.28	110.15
Selling and Administrative Expenses				
Travelling Expenses	3.00	10.32	7.81	6.94
Legal and Professional Charges	5.75	10.68	13.03	9.36
Repairs to Plant & Machinery	3.61	3.95	3.48	2.90
Export Expenses	11.66	187.91	140.56	117.24
Advertisement & Business Promotion Expenses	1.78	5.72	5.84	7.82
Rent	2.54	10.20	2.29	4.43
Repairs to Buildings	0.00	1.86	4.68	1.48
Repairs to Other	0.86	1.11	0.10	-
Vehicle Expenses	3.02	6.28	3.99	3.70
Insurance	3.35	6.37	4.45	7.38
Auditor's Remuneration				
For Audit	1.10	2.39	2.17	1.50
For Other Services	-	-	-	0.30
Donation	1.83	1.42	3.76	2.80
Office Expenses	0.70	0.31	1.08	-
Other Expenses	2.31	1.71	0.71	-
Bad Debts written off	-	-	0.40	-
Legal fee	1.58	4.79	1.42	-
Expenditure for Corporate Social Responsibility	1.56	3.88	3.00	2.36
Courier Expenses	-	0.00	2.84	-
Forex Fluctuation	4.17	3.70	-	-
Miscellaneous Expenses	7.66	64.16	41.35	53.57
Fright Outward	90.12	107.06	73.96	-
	146.60	433.82	316.94	221.78
	261.82	532.43	443.23	331.93

28 Exceptional Items

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Loss of Stock	-	-	-	(44.00)
Insurance Receivable	-	-	-	37.11
	-	-	-	-6.89

29 Contingent Liabilities

i Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
A) Disputed Tax Liability				
(i) Income tax Liabilities (refer note a below)	50.51	50.51	50.51	-
B) Corporate guarantee	1,602.94	869.44	100.00	90.00

a During the financial year 2017-18 a search and seizure operation under Section 132 of the Income Tax Act, 1961 was carried out by the Income Tax Authorities on the Company's premises. The company has filed income tax return u/s 153A of the Income tax Act for the Assessment year 2012-13 to 2017-18. The company has received assessment order under section 153A for AY 2012-13 to 2017-18 and under section 143(3) for AY 2018-19 wherein Income tax department raised demand against the company. Company appealed against the orders to Commissioner of Income Tax (Appeals).

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

30 Commitments

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Estimated amount of contract remaining to be executed on Capital Account and not provided for (Net of Advances)	-	-	-	-

31 Earning Per Share

	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Profit after Tax (PAT)				
From continuing operations (A)	60.69	110.10	135.74	136.81
From discontinued operations (B)	-	-	-	-
Total Net Profit	60.69	110.10	135.74	136.81
No of equity shares outstanding at the beginning of the period/year	5,50,000	5,50,000	5,50,000	5,50,000
No of equity shares outstanding at the end of the period/year	5,50,000	5,50,000	5,50,000	5,50,000
Total equity shares outstanding before share split and bonus issue subsequent to period end	5,50,000	5,50,000	5,50,000	5,50,000
Total equity shares post split in the ratio of 1:10 (refer note below)	55,00,000	55,00,000	55,00,000	55,00,000
Add: impact of bonus shares issued subsequent to period end in the ratio of 1:3 (refer note below)	1,65,00,000	1,65,00,000	1,65,00,000	1,65,00,000
Total equity shares post bonus issue	2,20,00,000	2,20,00,000	2,20,00,000	2,20,00,000
Total equity shares post split in the ratio of 1:10 (refer note below)	22,00,00,000	22,00,00,000	22,00,00,000	22,00,00,000
Weighted average number of equity shares for Basic & Diluted EPS (C)	22,00,00,000	22,00,00,000	22,00,00,000	22,00,00,000
(a) Basic & Diluted earnings per share				
From continuing operations (A/C)	0.28	0.50	0.62	0.62
From discontinued operations (B/C)	-	-	-	-

Note :

The impact of events mentioned in note no. 42 in relation to bonus shares issue and stock split has been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for all period/ years presented.

Particular's	Number of Shares
Number of equity shares (as at September 30, 2021)	5,50,000
Number of Equity shares post stock split (1 Equity Share into 10 Equity Share)	55,00,000
Number of Equity shares with bonus shares (3 bonus share for each equity share)	2,20,00,000
Number of Equity shares post stock split (1 Equity Share into 10 Equity share)	22,00,00,000

32 Corporate social responsibility expenditure

Expenditure related to CSR as per section 135 of companies act, 2013 read with schedule VII thereof

Particulars	As at 30th september 2021	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Mandatory Spend required on CSR Activities	1.56	3.84	2.65	1.50
Revenue expenditure on CSR activities (including provision for CSR expenses)	1.56	3.88	3.00	2.36

33 Segment reporting

Based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely manufacture ,processing and export of Seafood /marine products . The business incorporates product groups vis. Fish Oil, fish paste, fish meal etc. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

34 Corporate Guarantees

With respect to Corporate Guarantees, the management has determined the fair value of such guarantee contracts as 'Nil' as the group company is not being benefited significantly from such guarantees.

35 Related party disclosures

As required by Ind AS - 24 "Related Parties Disclosures", the disclosure are as follows:

A. List of related parties where control exists:

(i) List of related parties who have control over the Group (either individually or with others)

B. Other related parties with whom the Group had transactions:

(i) Associates Companies/ Firms

MSFI (Bangladesh) Ltd
M/s KGN Marine Products
M/s Progress Forzen and Fish Sterilization
M/s Pacific Marine Products
M/s Manglore Fish Meal and Oil Company
M/s Ullal Fishmeal and Oil Company
M/s Altantic Marine Products

(ii) Subsidiary

Haris Marine Products Private Limited
Atlantic Marine Products Private Limited
Ocean Aquatic Products LLC
Ento Proteins Private Limited

(iii) Key Managerial Personnel (KMP)

Mr. K Mohammed Althaf
Mrs. Umaiy banu
Mr. K Abdul Razak
Mr. K Mohammed Haris
Mr. K Mohammed Arif
Mr. Nanubhai Harjibhai Baraiya

(iv) Relatives of Key Managerial Peronnell (KMP):

Mrs. Aisha Shabnam
Mrs. Razeena Khateeja
Mrs. Zareena
Mrs. Aisha Shabnam
Mr. Mohamed Hasir

(v) Entities controlled by Directors and Shareholders and those exercising significant influence

Entities where KMP are interested

Shipwaves Online Private Limited
Al Hasan Education Trust
Bismi Fisheries Private Limited
United Fish Meal FZC, Dubai
Shipwaves Online LLC, Dubai
Ocean Aquatic Products
Silk Winds International
Acaya Exims Private Limited

(a) Transactions of Mukka Proteins Limited:

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Remuneration				
Mr. K Mohammed Althaf	4.80	9.60	7.20	7.20
Mrs. Umayy banu	1.80	3.60	2.40	2.40
Mr. K Mohammed Haris	7.20	14.40	9.60	9.60
Mr. K Mohammed Arif	3.00	6.00	4.80	4.80
Mr. K Abdul Razak	1.50	0.50	-	-
Remuneration to Relative of KMP				
Mr. K Abdul Razak	-	2.50	3.00	3.00
Loan Taken				
Mr. K Mohammed Althaf	-	10.80	9.36	44.50
Mr. K Mohammed Haris	-	-	19.61	56.35
Mr. K Mohammed Arif	-	-	0.22	19.60
Mr. K Abdul Razak	-	-	0.21	54.35
Loan Repaid				
Mr. K Mohammed Althaf	-	8.12	36.27	18.22
Mr. K Mohammed Haris	-	0.37	47.22	39.06
Mr. K Mohammed Arif	-	-	20.95	-
Mr. K Abdul Razak	-	-	38.94	28.10
Expenses Incurred on Behalf of Mukka Proteins Ltd				
Progress Frozen and Fish Sterilization	-	-	3.70	-
KGN Marine Products	-	-	0.80	3.17
Rent paid				
K Mohammed Haris	0.20	0.30	0.24	0.22
K Abdul Razak	0.01	0.20	0.30	0.23
K Mohammed Althaf	0.08	0.06	-	-
K Mohammed Arif	0.08	0.06	-	-
Atlantic Marine Products Private Limited	0.30	0.24	-	-
Haris Marine Products	-	-	0.45	0.73
Haris Marine Products Private Limited	0.54	0.95	0.45	-
Rent Received				
Shipwaves Online Private Limited	0.13	0.30	0.30	0.08
Ocean Aquatic Proteins LLC	4.90	9.81	6.94	1.11
Haris Marine Products	-	-	0.02	-
Haris Marine Products Private Limited	0.03	0.06	0.03	-
Atlantic Marine Products Private Limited	0.12	-	-	-
Ento Proteins Private Limited	0.00	-	-	-
Interest Received				
Ocean Aquatic Proteins LLC	-	1.75	1.77	-
Interest Paid				
Mr. K Mohammed Althaf	-	-	1.79	1.25
Mr. K Mohammed Haris	-	-	2.01	1.29
Mr. K Mohammed Arif	-	-	1.26	0.26
Mr. K Abdul Razak	-	-	2.38	1.19
Loan given				
Shipwaves Online Private Limited	-	47.98	30.12	57.10
Ocean Aquatic Proteins LLC	-	-	52.77	-
Silk Winds International	0.82	-	-	-
Investment Made				
Ocean Aquatic Proteins LLC	-	-	-	18.87
Pacific Marine Products	-	4.60	-	-
Ullal Fishmeal and Oil Company	-	26.68	-	-
Investment Sold				
Mr. K Mohammed Haris	-	-	1.94	-
Purchase of goods				
Haris Marine Products	-	-	27.58	520.76
Haris Marine Products Private Limited	-	193.59	56.04	-
KGN Marine Products	-	-	36.57	436.20
Progress Frozen & fish sterilisation	127.88	602.24	576.36	-
Atlantic Marine Products	-	-	215.81	196.78
Atlantic Marine Products Private Limited	202.43	539.67	216.91	-
Ocean Aquatic Proteins LLC, Oman	101.37	104.09	181.71	58.67
United Fish Meal FZC, Dubai	-	-	342.71	59.24
Bismi Fisheries Private Limited	-	130.09	-	536.58
Mangalore Fishmeal & Oil Company	144.36	238.07	-	-
Ullal Fishmeal and Oil Company	118.68	211.20	-	-
Silk Winds International	8.92	-	-	-
Sale of Goods				
Ocean Aquatic Proteins LLC, Oman	-	-	9.78	7.21
United Fish Meal FZC, Dubai	-	-	-	36.79
Atlantic Marine Products	-	-	-	0.22
KGN Marine Products	-	-	-	3.93
Bismi Fisheries Private Limited	-	-	-	0.39
Haris Marine Products	-	-	-	77.59
Haris Marine Products Private Limited	144.24	114.00	101.50	-
Mangalore Fishmeal & Oil Company	27.79	26.61	-	-
Ullal Fishmeal and Oil Company	53.87	29.38	-	-
Professional Charges				
Mohamed Hasir	0.67	-	-	-
Donation Expenses				
Al Hasan Educational Trust	-	-	0.90	1.90
Freight Expenses				
Shipwave Online Private Limited	89.55	252.23	129.44	119.82
Shipwave Online LLC	-	-	0.37	-
Atlantic Marine Products Private Limited	-	3.09	-	-
Advances Given for Expenses and Goods				
Shipwave Online Private Limited	-	-	-	17.33
Ocean Aquatic Proteins LLC, Oman	-	-	-	38.88

Year end Balances

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Remuneration Payable				
Mr. K Mohammed Althaf	1.33	-	0.01	0.00
Mr. K Mohammed Haris	1.58	-	0.08	0.09
Mr. K Mohammed Arif	0.43	-	-	0.91
Mr. K Abdul Razak	0.46	-	0.01	0.07
Mrs. Umaiy banu	1.27	-	0.01	0.79
Rent Payable				
K Mohammed Haris	0.18	-	0.23	0.02
K Mohammed Althaf	0.14	0.06	-	-
K Mohammed Arif	0.14	0.06	-	-
K Abdul Razak	0.02	0.01	0.02	0.02
Haris Marine Products	-	-	0.08	0.08
Haris Marine Products Private Limited	0.26	0.08	-	-
Trade and Other Payable				
Haris Marine Products Private Limited	-	9.55	-	-
KGN Marine Products	38.91	40.02	36.75	104.50
Atlantic Marine Products	(19.65)	126.24	72.16	69.85
Mangalore Fishmeal & Oil Company	-	35.23	-	-
Progress Frozen & fish sterilisation	(19.35)	143.26	3.70	-
Shipwaves Online Private Limited	-	1.00	11.75	-
KGN Marine Products - Remb of Expenses	-	-	3.97	3.17
Bismi Fisheries Private Limited	-	-	-	92.58
Progress Frozen & fish sterilisation	-	-	202.30	-
Trade and Other Receivables				
United Fish Meal FZC, Dubai	-	-	-	15.42
Ocean Aquatic Proteins LLC, Oman	-	-	9.48	44.75
Haris Marine Products	-	-	-	87.57
Haris Marine Products Private Limited	-	-	185.99	-
Rent Receivable - Ocean Aquatic Proteins LLC, Oman	4.10	6.50	4.17	0.37
Rent Receivable - Shipwaves Online Private Limited	0.45	0.34	0.16	0.05
Interest Receivable - Ocean Aquatic Proteins LLC, Oman	-	-	1.76	-
Rent Receivable - Haris Marine Products Private Limited	0.05	0.01	0.01	-
Investment Sale value receivable from Mr. K Mohammed Haris	-	-	2.06	-
Shipwaves Online Private Limited interest receivable	-	4.08	-	-
Rent Receivable - Ento Proteins Private Limited	0.00	-	-	-
Rent Receivable - Atlantic Marine Products	0.14	-	-	-
Unsecured Borrowing				
Mr. K Mohammed Althaf	2.65	4.55	1.86	28.78
Mr. K Mohammed Haris	-	-	0.39	28.00
Mr. K Mohammed Arif	1.25	-	-	20.73
Mr. K Abdul Razak	-	-	-	38.73
Loans and Advances outstanding				
Shipwaves Online Private Limited	-	51.98	87.22	57.10
Ento Proteins Private Limited	10.99	0.10	-	-
Ocean Aquatic Proteins LLC reimbursement receivable	-	3.40	52.77	-
Advance to Suppliers				
Shipwaves Online Private Limited	101.71	17.71	12.45	17.33
Ocean Aquatic Proteins LLC, Oman	37.77	70.39	106.41	-
Atlantic Marine Products Private Limited	-	56.89	56.89	-
Progress Frozen And Fish Sterilization	-	18.04	18.04	-
Ullal Fishmeal and Oil Company	57.44	102.92	-	-
Acaya Exims Private Limited	22.75	-	-	-
Haris Marine Products Private Limited	33.77	-	-	-
Mangalore Fishmeal & Oil Company	10.28	-	-	-
Silkwinds International	0.82	-	-	-
Mohamed Hasir	1.20	-	-	-
Rent Deposits Payble				
Haris Marine Products Private Limited	2.50	2.50	2.50	-
Haris/ Althaf / Arif	0.60	0.28	-	-
Rent Deposits Receivable				
Haris Marine Products Private Limited	0.06	0.06	0.06	-
Corporate guarantee given				
Shipwaves Online Private Limited	-	-	-	10.00
Haris Marine Products	-	-	-	80.00
Haris Marine Products Private Limited	120.00	120.00	100.00	-
Ocean Aquatic Proteins LLC, Oman	99.44	99.44	-	-

(b) Transactions of Haris Marine Products Private Limited:

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Transactions during the year				
Repayment of Loan				
K Mohammed Althaf	-	23.26	-	NA
Razeena Khateeja	-	6.07	-	NA
Rent paid				
Mukka Proteins Limited	0.04	0.04	0.04	NA
Rent received				
Mukka Proteins Limited	0.58	1.08	0.49	NA
Purchase of goods				
Mangalore Fish Meal and Oil Company	24.98	41.68	-	NA
Ullal Fish Meal and Oil Company	31.34	94.41	-	NA
Progress Frozen & Fish Sterilisation	-	1.95	-	NA
Mukka Proteins Limited	144.24	114.00	101.50	NA
Sale of Goods				
Mukka Proteins Limited	-	193.59	56.04	NA
Mangalore Fish Meal and Oil Company	1.89	0.48	-	NA
Freight Expenses				
Shipwave Online Private Limited	8.58	10.65	-	NA
Salary paid				
Aisha Shabnam	0.24	0.12	-	NA
Razeena Khateeja	0.24	0.12	-	NA
Zareena	0.24	0.12	-	NA

Year end Balances

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Trade Payable				
Mangalore Fish Meal and Oil Company	67.18	45.00	3.86	N/A
Ullal Fish Meal and Oil Company	80.72	94.41	-	NA
Progress Frozen & Fish Sterilisation	1.95	1.95	-	NA
Mukka Proteins Limited	33.71	-	197.69	NA
Shipwaves Online Private Limited	-	0.99	-	NA
Rent Payable				
Mukka Proteins Limited	0.05	0.01	0.01	NA
Salary payable				
Aisha Shabnam	0.14	0.07	-	NA
Razeena Khateeja	0.26	0.09	-	NA
Zareena	0.26	0.09	-	NA
Other Financial Liability - Rent Deposit				
Mukka Proteins Limited	2.50	2.50	2.50	NA
Borrowings - Loan from Directors				
K. Mohammed Haris	-	-	0.40	NA
K. Mohammed Althaf	0.05	0.15	9.54	NA
K. Abdul Razak	-	-	6.20	NA
Borrowings - Loan from Others				
Aisha Shabnam	-	-	0.90	NA
Razeena Khateeja	-	-	6.07	NA
Zareena	-	-	0.90	NA
Trade Receivables				
Mukka Proteins Limited	-	9.06	-	NA
Mukka Proteins Limited - Porbander Branch	-	0.48	0.50	NA
Rent Receivable				
Mukka Proteins Limited	0.26	0.08	0.08	NA
Other Financial Asset - Rent Deposit				
Mukka Proteins Limited	0.06	0.06	0.06	NA
Loans and Advances - Asset				
Silkwinds International	94.26	94.26	100.16	NA
Shipwaves Online Private Limited	-	-	1.22	NA

(b) Transactions of Atlantic Marine Products Private Limited:

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Transactions during the year				
Mukka Sea Food Industries Limited - Sales	208.05	539.67	199.08	NA
Mukka Sea Food Industries Limited - Acceptance of Loan	-	-	56.89	NA
Mukka Sea Food Industries Limited - Freight	-	3.09	-	NA
Mukka Sea Food Industries Limited - Rent	0.30	0.24	-	NA
Nanubhai Harjibhai Baraiya - Acceptance of Loan	-	-	32.67	NA
Nanubhai Harjibhai Baraiya - Repayment of Loan	7.59	1.50	-	NA
Nanubhai Harjibhai Baraiya - Director Remuneration	-	0.50	-	NA

Year end Balances

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Mukka Sea Food Industries Limited - Loan Repayable	56.89	56.89	56.89	NA
Mukka Sea Food Industries Limited - Receivables	-	126.24	-	NA
Nanubhai Harjibhai Baraiya	11.78	19.37	32.67	NA

(c) Transactions of Ento Proteins Private Ltd:

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Transactions during the year				
Loans Taken				
K.Mohammed Haris	0.02	-	NA	NA
Mukka Proteins Limited	10.89	0.10	NA	NA

Year end Balances

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Borrowings				
K.Mohammed Haris	0.02	-	NA	NA
Mukka Proteins Limited	10.99	0.10	NA	NA

(d) Transactions of Ocean Aquatic Proteins LLC, Oman:

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Transactions during the year				
Shipwaves Online LLC - Shipping Charges	7.45	19.11	14.23	1.28
Mukka Protiens Limited - Rent	4.92	9.94	7.13	1.07
Mukka Protiens Limited - Sales	105.38	85.43	199.58	55.61
Mukka Protiens Limited - Machinery Purchase	1.59	-	13.54	3.80
Mukka Protiens Limited - Interest on Loan	-	1.84	1.81	-
Mukka Protiens Limited - Reimbursement	-	2.58	-	2.86
Mukka Protiens Limited - Sales Machinery	-	1.46	-	-
Mukka Protiens Limited - Loan Taken	-	-	52.56	-
Mukka Protiens Limited - Loan Repaid	-	52.56	-	-

Year end Balances

Particulars	Transactions with Related Parties For the Period ended	Transactions with Related Parties For the year ended		
	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Mukka Protiens Limited - Rent	4.07	6.46	4.21	0.36
Mukka Protiens Limited - Reimbursement	3.44	3.38	3.16	2.91
Mukka Protiens Limited - Advance Received	23.61	69.72	86.36	39.17
Mukka Protiens Limited - Interest	-	-	1.77	-
Shipwaves Online LLC	0.70	(2.00)	0.36	(0.06)
Mukka Protiens Limited - Loan	-	-	52.56	-
Mukka Protiens Limited - Machinery Purchase	-	-	9.24	-

36 Employee Benefits Obligation

The Company accounts for Gratuity Liability at actuarial valuation at the end of the year/period. Accordingly these Liabilities have been computed by the actuary as at the reporting date.

Employee Benefits

Defined benefits Plans – As per Actuarial valuation

Assumptions as at	Funded Gratuity April 21 - Sep 21	Funded Gratuity 2020-2021	Funded Gratuity 2019-2020	Funded Gratuity 2018-2019
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Discount Rate	6.80%	6.80%	6.80%	7.70%
Rate of increase in Compensation	7.00%	7.00%	7.00%	7.00%
Changes in present value of obligations				
PVO at beginning of period	4.67	12.24	1.82	1.71
Interest cost	0.16	0.83	0.12	0.13
Current Service Cost	1.28	1.16	2.29	0.44
Benefits Paid	-	-	-	-
Actuarial (gain)/loss on obligation	8.21	(9.56)	8.00	(0.45)
PVO at end of period	14.32	4.67	12.24	1.82
Fair Value of Plan Assets				
Fair Value of Plan Assets at beginning of period	-	-	-	-
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Actual Return on Plan Assets Exl. Interest	-	-	-	-
Interest Income	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Fair Value of Plan Assets at end of period	-	-	-	-
Expense recognized in the statement of P & L A/C				
Current Service Cost	1.28	1.16	2.29	0.44
Interest cost	0.16	0.83	0.12	0.13
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (Gain)/Loss recognized for the period	-	-	-	-
Expense recognized in the statement of P & L A/C	1.44	1.99	2.42	0.57
Other Comprehensive Income (OCI)				
Actuarial (Gain)/Loss recognized for the period	8.21	(9.56)	8.00	(0.45)
Asset limit effect	-	-	-	-
Return on Plan Assets excluding net Interest	-	-	-	-
Unrecognized Actuarial (Gain)/Loss for the previous Period	-	-	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	8.21	(9.56)	8.00	(0.45)
Movements in the Liability recognized in Balance Sheet				
Opening Net Liability	4.67	12.24	1.82	1.71
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Expenses as above	1.44	1.99	2.42	0.57
Contribution paid	-	-	-	-
Other Comprehensive Income	8.21	(9.56)	8.00	(0.45)
Closing Net Liability	14.32	4.67	12.24	1.82

37 Note :Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

38 Income Tax

Income tax expense in the statement of profit and loss comprises

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Taxes	33.52	27.69	45.16	43.78
Earlier Year Taxes	-	12.70	19.46	-
Deferred Taxes	(0.79)	4.06	(3.06)	7.44
Income tax expense	32.73	44.45	61.56	51.22

Entire deferred income tax for the year/period ended September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 relates to origination and reversal of temporary differences.

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Profit before income taxes	93.42	154.56	197.31	188.03
Enacted tax rates in India	25.17%	25.17%	25.17%	34.94%
Computed expected tax expense	23.51	38.90	49.66	65.70
Effect of exempt income	(1.11)	(9.62)	(6.51)	(2.92)
Effect of Earlier year taxes	-	12.70	19.46	-
Effect of Different Tax Rates	-	1.15	(1.34)	-
Effect of Transition to Ind AS	-	-	-	(21.00)
Deduction under IT Act	(0.14)	(1.30)	(0.76)	(0.53)
Effect of non deductible expenses	2.97	2.38	2.44	2.61
Effect of tax on depreciation	(0.65)	(2.45)	(3.72)	(6.12)
Effect of Interest on Income Tax	-	-	4.59	-
Effect of deferred tax asset (liability)	(0.79)	4.06	(3.06)	7.44
Share of Profit/Loss from foreign subsidiary / associates	6.62	-	-	7.10
Effect of Translation difference	-	-	-	(1.07)
Others	2.32	(1.38)	0.81	-
Income tax expense	32.73	44.46	61.56	51.22

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2019 and March 31, 2018

Particulars	As At			
	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
Income tax assets	13.31	13.33	14.85	10.50
Current Income tax liabilities	42.18	32.75	38.21	32.59
Net Current income tax assets/(liabilities)	(28.87)	(19.42)	(23.37)	(22.09)

39 Financial Instruments

The carrying value and fair value of financial instruments by categories as at September 30, 2021, March 31 2021, March 31 2020 and March 31 2019

Particulars	Carrying Amount			
	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
Financial Assets				
Amortised Cost				
Loans	211.22	184.94	217.95	70.36
Trade receivable	413.59	478.86	349.97	284.91
Cash and cash equivalents	50.02	31.53	14.91	6.91
Other bank balances	22.54	10.35	1.60	2.19
Other financial assets	113.81	93.57	69.39	71.86
FVIPL				
Investment in Partnership Firms (Joint Ventures)	139.03	116.46	33.91	77.43
Total Assets	950.21	915.71	687.74	513.66
Financial Liabilities				
Amortised Cost				
Borrowings	1,784.42	1,591.93	1,416.76	828.71
Trade Payable	617.39	1,000.59	814.75	597.41
Other Financial Liabilities	45.99	170.02	19.27	41.60
Total Liabilities	2,447.80	2,762.55	2,250.78	1,467.72

Fair Value Hierarchy

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. In absence of specified maturity period, the carrying amount of the non-current financial assets and non-current financial liabilities such as security deposits, are considered to be same as their fair values. With respect to Corporate Guarantees, the management has determined the fair value of such guarantee contracts as 'Nil' as the subsidiary company is not being benefited significantly from such guarantees.

40 Note 41 Financial Risk Management

The Company has exposure to the following risks from its use of financial instruments :

- > Credit risk
- > Liquidity Risk
- > Market Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company has medium exposure to said market risk.

(I) Interest Risk

The Company's main interest rate risk arises from long term and short term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

The exposure of the Company to interest rate changes at the end of the reporting period are as follows:

Particulars	Impact on profit after tax and equity			
	30-Sep-21	31-Mar-21	31-Mar-20	31st March 2019
Variable Rate Borrowing	1,631.33	1,422.72	1,277.46	665.12
Total	1,631.33	1,422.72	1,277.46	665.12

Sensitivity

The profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates.

Particulars	Impact on profit after tax and equity			
	30-Sep-21	31-Mar-21	31-Mar-20	31st March 2019
Interest rate - Increases by 100 basis points	16.31	14.23	12.77	6.65
Interest rate - Decreases by 100 basis points	(16.31)	(14.23)	(12.77)	(6.65)

(II) Price risk

The Company's investments in quoted equity securities is very minimal, hence there is limited exposure to price risk.

(III) Foreign currency risk

Particulars	As at 30th September 2021		As at 31st March 2021		As at 31st March 2020		As at 31st March 2019	
	Amount in Foreign Currency	Amount in Rupees	Amount in Foreign Currency	Amount in Rupees	Amount in Foreign Currency	Amount in Rupees	Amount in Foreign Currency	Amount in Rupees
Trade and other payables								
USD	0.25	18.75	0.32	23.53	0.19	14.32	-	-
AED	-	-	-	-	-	-	0.04	0.81
OMR	0.38	73.23	0.91	173.35	0.55	108.72	0.08	14.32
Advance to Suppliers								
USD	1.18	86.95	0.96	70.39	2.42	182.59	0.68	47.15
Trade Receivable								
USD	-	-	1.38	101.29	1.93	145.50	1.96	135.38
AED	-	-	-	-	-	-	-	-
OMR	0.07	12.85	0.55	104.57	-	-	0.02	3.28
Advances from Customers								
USD	0.55	40.89	0.80	58.43	0.12	8.97	0.04	2.50
OMR	0.13	24.74	0.52	98.45	0.61	119.74	0.00	0.46

Sensitivity

Particulars	Impact on (profit)/loss after tax and equity			
	30th Sep 2021	31st March 2021	31st March 2020	31st March 2019
Interest rate - Increases in USD rate by 1%	0.004	0.012	0.040	0.026
Interest rate - Decreases in USD rate by 1%	-0.004	-0.012	-0.040	-0.026
Interest rate - Increases in AED rate by 1%	0	0	0	-0.000
Interest rate - Decreases in AED rate by 1%	0	0	0	0.000
Interest rate - Increases in OMR rate by 1%	0.007	0.001	0.013	0.006
Interest rate - Decreases in OMR rate by 1%	-0.007	-0.001	-0.013	-0.006

Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(i) Maturities of financial liabilities
Contractual cash flows

30th september, 2021	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	1,784.42	1,784.42	1,631.33	22.60	130.50	-
Trade Payables	617.39	617.39	617.39	-	-	-
Total	2,401.81	2,401.81	2,248.72	22.60	130.50	-

31st March, 2021	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	1,591.93	1,591.93	1,422.72	28.53	140.68	-
Trade Payables	1,000.59	1,000.59	1,000.59	-	-	-
Total	2,592.52	2,592.52	2,423.31	28.53	140.68	-

31st March, 2020	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	1,416.76	1,416.76	1,277.46	67.00	72.30	-
Trade Payables	814.75	814.75	814.75	-	-	-
Total	2,231.51	2,231.51	2,092.21	67.00	72.30	-

31st March, 2019	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	828.71	828.71	665.12	160.13	3.46	-
Trade Payables	597.41	597.41	597.41	-	-	-
Total	1,426.12	1,426.12	1,262.53	160.13	3.46	-

Credit Risk :

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, and other activities that are in nature of leases.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit

in Million

Particulars	30th Sep 2021	31st March 2021	31st March 2020	31st March 2019
Trade receivables	413.59	478.86	349.97	284.91
Cash and cash equivalents	50.02	31.53	14.91	6.91
Other Bank balances	22.54	10.35	1.60	2.19
Other financial assets	126.00	106.25	83.57	77.99
Total	612.15	626.99	450.06	372.00

Credit Risk Management- (ii) Provision for expected credit losses

Category	Description of Category	Basis for recognition of expected credit loss provision		
		Investments	Loans and Deposits	Trade Receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong.	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in a payment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is Written-off		

Year Ended 31st March, 2021

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected Probability of Default	Expected credit Losses	Carrying amount Net of Impairment Provisions
Loss allowance measured at 12 month expected credit losses -	Cash and Bank Balances	41.88	0%	-	41.88
Financial assets for which credit risk has not increased significantly since initial recognition	Loans and advances	184.94	0%	-	184.94
	Security deposits	12.09	0%	-	12.09

Year Ended 31st March, 2020

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected Probability of Default	Expected credit Losses	Carrying amount Net of Impairment Provisions
Loss allowance measured at 12 month expected credit losses -	Cash and Bank Balances	16.51	0%	-	16.51
Financial assets for which credit risk has not increased significantly since initial recognition	Loans and advances	217.95	0%	-	217.95
	Security deposits	12.38	0%	-	12.38

Year Ended 31st March, 2019

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected Probability of Default	Expected credit Losses	Carrying amount Net of Impairment Provisions
Loss allowance measured at 12 month expected credit losses -	Cash and Bank Balances	9.10	0%	-	9.10
Financial assets for which credit risk has not increased significantly since initial recognition	Loans and advances	70.36	0%	-	70.36
	Security deposits	6.14	0%	-	6.14

Expected credit loss for trade receivables under simplified approach

Period ended 30th, September, 2021

Ageing	0-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	413.05	0.54		413.59
Expected loss rate	0%	0%	-	-
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	413.05	0.54	-	413.59

Year ended 31st March, 2021

Ageing	0-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	477.40	1.46		478.86
Expected loss rate	0%	0%	-	-
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	477.40	1.46	-	478.86

Year ended 31st March, 2020

Ageing	0-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	348.59	1.39	-	349.97
Expected loss rate	0%	0%	-	-
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	348.59	1.39	-	349.97

Year ended 31st March, 2019

Ageing	0-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	282.81	2.10	-	284.91
Expected loss rate	-	-	-	-
Expected credit loss	-	-	-	-
Carrying amount of trade receivables (net of impairment)	282.81	2.10	-	284.91

41 Capital Management

The company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of company's capital management is to maximise shareholder's value. The company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net Debts comprises of long term and short term borrowings less cash and bank balances. Equity includes Equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

Particulars	30th September 2021	31st March 2021	31st March 2020	31st March 2019
Debt	1,784.42	1,591.93	1,416.76	828.71
Less: Cash and Bank Balances	72.56	41.88	16.51	9.10
Net Debt (A)	1,711.86	1,550.05	1,400.24	819.61
Equity (B)	749.35	699.24	577.51	440.98
Net Debt to Equity Ratio (A)/(B)	228.45%	221.68%	242.46%	185.86%

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

42 Subsequent event:

Subsequent to the period end, following events have been occurred:

- (a) The Company has increased and re-classified the Authorised Share Capital of the Company from Rs. 8 million divided into 8,00,000 Equity Shares of Rs.100/- each amounting Rs. 8 million to Rs. 30 million divided into 3,00,00,000 Equity Shares of Rs.10/- each amounting to Rs. 30 million pursuant to a special resolution passed in the annual general meeting of the Company held on December 29, 2021.

(b) Changes in Share Capital:

- (i) The Board of Directors and shareholders of the Company at their meeting held on December 28, 2021, have approved stock split of one equity share having face value of Rs.100/- each into Ten equity shares having face value of Rs. 10/- each.
- (ii) Further on January 15, 2021, the Members of Company in their extra ordinary general meeting has approved 3:1 bonus shares on fully paid equity shares having face value of INR 10 per share through capitalisation of free reserves of the Company.
- (iii) The Board of Directors and shareholders of the Company at their meeting held on February 28, 2022, have approved stock split of one equity share having face value of Rs.10/- each into 1 equity shares having face value of Rs. 1/- each.

Further, post considering the above events, number of equity shares outstanding are mentioned below :

Particular's	Number of Shares
Number of equity shares (as at September 30, 2021)	5,50,000
Number of Equity shares post stock split (1 Equity Share into 10 Equity Share)	55,00,000
Number of Equity shares with bonus shares (3 bonus share for each equity share)	2,20,00,000
Number of Equity shares post stock split (1 Equity Share into 10 Equity Share)	22,00,00,000

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN: 109463W

For and on behalf of Board of Directors
Mukka Proteins Limited

Bharat Joshi

Partner
M.No. 130863

Place : Mumbai
Date : 16.03.2022

**Kalandan
Mohammed Haris**

Managing Director
& CEO
DIN : 03020471

Place: Mangaluru
Date: 16.03.2022

**Kalandan
Mohammed
Althaf**

Chief Financial
Officer
DIN : 03051103

Place: Mangaluru
Date: 16.03.2022

**Mehaboobsab
Chalyal**

Company Secretary
ACS No. A67502

ANNEXURE VI RESTATED STATEMENT OF ACCOUNTING RATIOS

Particulars	As at 30 September 2021*	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Restated Earnings per equity share (EPS)				
Basic EPS (Rs.)	0.28	0.50	0.62	0.62
Diluted EPS (Rs.)	0.28	0.50	0.62	0.62
Return on Net Worth %				
	10.37%	13.49%	23.30%	32.49%
Net asset value per equity share (Rs.)	3.33	3.02	2.57	2.00
EBITDA	167.41	218.80	237.88	226.68
EBITDA Margin	6.31%	3.62%	4.33%	5.55%
* Not annualised				
Weighted average number of equity shares for Basic and Diluted EPS	22,00,00,000	22,00,00,000	22,00,00,000	22,00,00,000
Net profit after tax attributable to shareholders of the company, as restated	75.99	89.76	131.76	142.90
Net worth as restated	732.68	665.23	565.50	439.86
Revenue from Operations	2,652.36	6,038.34	5,492.48	4,087.89
Profit before tax	93.42	154.56	197.31	188.03
Other income	25.71	99.39	78.42	29.01
Finance cost	48.92	80.21	72.08	43.38
Depreciation and amortisation expense	50.78	83.43	46.91	24.29

Notes :

1 The ratios on the basis of Restated Financial Information have been computed as below:

Basic Earnings per share (Rs.) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares}}$$

Diluted Earnings per share (Rs.) =
$$\frac{\text{Net profit as restated, attributable to equity shareholders}}{\text{Weighted average number of dilutive equity shares}}$$

Return on net worth (%) =
$$\frac{\text{Net profit after tax attributable to shareholders of the company, as restated}}{\text{Net worth as restated, at the end of the year / period}}$$

Net Asset Value (NAV) per equity share (Rs.) =
$$\frac{\text{Net worth as restated, at the end of the year / period}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

Net Worth = Equity share capital + Other Equity, as restated

EBITDA = Profit before tax - Other income + Finance cost + Depreciation and amortisation expense

EBITDA Margin =
$$\frac{\text{EBITDA}}{\text{Revenue from Operations}}$$

2 Subsequent to the six month period ended September 30, 2021, the company has approved following changes in share capital:-

(i) The Board of Directors and shareholders of the Company at their meeting held on December 28, 2021, have approved stock split of one equity share having face value of Rs.100/- each into Ten equity shares having face value of Rs. 10/- each.

(ii) Further on January 15, 2021, the Members of Company in their extra ordinary general meeting has approved 3:1 bonus shares on fully paid equity shares having face value of INR 10 per share through capitalisation of free reserves of the Company.

(iii) The Board of Directors and shareholders of the Company at their meeting held on February 28, 2022, have approved stock split of one equity share having face value of Rs.10/- each into 1 equity shares having face value of Rs. 1/- each.

Hence for the purpose of calculation of NAV per equity share, the number of equity shares outstanding as at the end of the respective period / year have been considered after factoring the aforementioned splits and bonus issue.

3 The Company does not have any dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

4 The above ratios have been computed on the basis of the information in Annexure I to Annexure V of the Restated Financial Information.

ANNEXURE VII – RESTATED STATEMENT OF CAPITALISATION

Particulars	Pre-issue as at September 30, 2021	As adjusted for the proposed issue
Debts		
Non-current financial liabilities (A)		
Long term borrowings (including current maturity)	192.24	[•]
Current financial liabilities (B)		
Short term borrowings (excluding current maturity)	1,592.18	[•]
Total debts (C=A+B)	1,784.42	[•]
Shareholders' Funds		
Share Capital	55.00	[•]
Other equity, as restated	677.68	[•]
Total Shareholders' funds (D)	732.68	[•]
Long term debt / equity (A/D)	26.24%	[•]
Total debt / equity (C/D)	243.55%	[•]

Notes :

- 1 Long term debt / equity has been computed as :
$$\frac{\text{Non-current financial liabilities}}{\text{Total equity (Shareholders' funds)}}$$
- 2 Total debt / equity has been computed as :
$$\frac{\text{Total borrowings}}{\text{Total equity (Shareholders' funds)}}$$
- 3 Short term borrowings represent borrowings due within 12 months from the balance sheet date.
- 4 Long term borrowings represent borrowings due after 12 months from the balance sheet date.
- 5 The figures disclosed above are based on the Restated Statement of Assets and Liabilities of the Company.
- 6 The Company is proposing an Initial public offering by way of an offer for sale by the selling shareholders. Hence, there will be no change in the shareholder's funds post issue.
- 7 The above statement should be read with relevant information in Annexure I to Annexure V of the Restated Financial Information.

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of business for purposes such as working capital, business requirements and other general corporate purposes.

As on September 30, 2021, Our Company had on Consolidated Fund based outstanding indebtedness ₹ 1784.42 million and Non-Fund Based outstanding (off-balance sheet) indebtedness ₹ 99.44 million. Set forth below is a brief summary of such indebtedness:

Category of borrowing	Sanctioned amount	Outstanding amount as on September 30, 2021
	(₹ in millions)	(₹ in millions)
Fund based facilities		
Secured		
Mukka Proteins Limited		
Term Loans	83.50	56.86
Auto Loans	3.32	3.04
Working Capital Facilities	1,300.00	1,255.40
Haris Marine Private Limited		
Guaranteed Emergency Credit Line ("GECL")	20.00	20.00
Working Capital Facilities	100.00	83.46
Ocean Aquatic Proteins LLC, Oman		
Term Loans	100.00	87.66
Working Capital Facilities	50.00	29.60
Unsecured		
Mukka Proteins Limited		
Term Loan	7.50	2.09
From Directors and Related Parties	22.53	22.53
TREDS Reverse Factoring	46.02	46.02
Haris Marine Private Limited		
From Directors and Related Parties	0.05	0.05
Atlantic Marine Products Private Limited		
From Directors and Related Parties	68.67	68.67
Ocean Aquatic Proteins LLC, Oman		
From Directors and Related Parties	109.03	109.03
Ento Proteins Private Limited		
From Directors and Related Parties	0.02	0.02
Total Indebtedness (Fund Based)	1,910.63	1,784.42
Non-fund based facilities (Off Balance sheet Item)		
Mukka Proteins Limited		
Bank Guarantee	99.44	99.44
Total Indebtedness Non-fund based facilities	99.44	99.44

Key terms of borrowings availed by our Company

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

Tenor: The tenor of our overdraft facility is 12 months. The tenor of Auto loans is five years. The tenor of WCTL/Business loans is Two years. The tenor of our Foreign Currency term loan is 6 years with a benefit of 6 Months Principal Moratorium.

The tenor of our GECL is 4 years in which 12 Months Principal Moratorium. Our cash credit facility prescribes a tenor of 12 Months.

Interest: The interest rate on our vehicle loans is 7.3%. The interest rate on our secured rupee Term loans is 8.25% and on unsecured rupee Term loans is 14.5%. Our overdraft facility specifies that the interest rate shall be as mutually agreed upon by the parties i.e., 9.90% & the interest rate on our overdraft facility in foreign Currency is 2.50%. The interest rate on our Foreign Currency term loan is 4.60%. The interest rate on our cash credit Facility varies from 7.90% to 7.95%. and the Interest rate on Foreign Currency cash credit facility i.e., packing Credit facility will be stipulated by the lender at the time of disbursement of each drawal, which shall be LIBOR+2.5%.

Penal Interest: The terms of certain facilities availed by our Company and our Subsidiaries prescribe penalties for overdue, delay or default in payment of outstanding interest or principal amounts non-payment of interest or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed shall be 2% per annum over and above the agreed rate per annum on the outstanding loan or the sanctioned amount of the facility or any other amount at the discretion of the bank.

Security: The auto loans availed by us are secured by way of hypothecation over the vehicles identified in the schedule of the borrowing arrangement, by way of first and exclusive charge in favour of the bank. The rupee term loans availed by us are secured through exclusive charge by way of hypothecation on our entire Current Assets, Movable Fixed Assets, Industrial properties, Residential Properties which are identified in the schedule of the borrowing arrangement, Personal Guarantee of the Directors of the Company namely Mr. Kalandan Abdul Razak Mr. Kalandan Mohammed Haris, Mr. Kalandan Mohammad Arif & Mr. Kalandan Mohammed Althaf. Further, Corporate Guarantee has been given for loans availed by Haris Marine Products Private Limited and in turn Haris Marine products private limited has given corporate Guarantee for the Loan facilities availed by us.

Prepayment: The terms of certain facilities availed by our Company and our Subsidiaries typically have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to such prepayment penalties and such other conditions as laid down in the facility agreements, on giving notice and/or obtaining prior approval from the concerned lender, as the case may be. The prepayment premium for the facilities availed, where specified, is typically charged at the rate two percent of the amount prepaid or the principal outstanding or at an amount decided at the discretion of such lender.

Repayment: The vehicle loans availed by us have to be repaid during the course of the entire tenor, by way of 60 equal monthly instalments. The overdraft/Cash Credit facilities are repayable on demand and the interest on our overdraft/Cash credit facility is payable at monthly rests. Our GECL is repayable over 48 equal monthly instalments after 12 Months Principal Moratorium where only the interest has to be paid. The rupee term loans availed by us will be repaid in 24 equal monthly instalments. The Foreign Currency term loans from Kotak Mahindra bank availed by us will be repaid in 36 equal monthly instalments. The Foreign Currency term loans from HDFC bank availed by us will be repaid in 72 equal monthly instalments after 6 Months Principal Moratorium.

Restrictive Covenants: Borrowing arrangements entered into by us typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to our lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below.

- (a) The working capital facility granted by the Bank and other banks (if any), both secured and unsecured, shall be within the overall working capital requirements of assessed by the Bank.
- (b) If payment does not come within 45 (forty-five) days after due date the bill will be crystallized to be debt of customer account at the TT selling rate on the date of crystallization or the FX rate given at the time of disbursement, whichever is higher. Crystallization will be done by debiting/creating TOD in customer account if sufficient balance is not maintained without prior consent of the customer. When the bill would get realised, the adverse conversion difference if any, along with the interest for the delayed realisation period to be recovered from export customer.
- (c) The facilities so sanctioned by the Bank are to be utilised solely for the purpose for which the facilities are sanctioned and shall not be deployed whether directly or indirectly by the Company for any investment in any Stock Exchange and/or in the capital market or for investments in subsidiaries, acquisition or real estate.
- (d) The Company is required to get the Bank's facility rated for an approved Credit Rating Agency. The Bank has the right to charge penal interest of 2% p.a. on committed limits for delay or default in obtaining external rating.
- (e) The Company is required to provide Unhedged Foreign Currency Exposure (UFCE) Certificate on a monthly/quarterly basis from authorised signatory of the Company and a certificate from the statutory auditors of the Company on a yearly basis, in line with RBI guidelines. The Bank has the right to charge penal interest for delay/ non-submission of UFCE declaration/ certification at rates specified under the penal clauses. Any intimation given by the Bank with respect to the amounts payable towards penalty will be final and conclusive without production of any proof. The above will not prevent the Bank from exercising the rights and remedies available to it under the facility agreements.

- (f) Interest/ capital subsidy on loans under any Government scheme shall be passed to Company only upon receipt by the Bank from Nodal agency/ Government (applicable for loans eligible for Government subsidy).
- (g) In due discharge of the liabilities undertaken in terms of the entire facility/ies the Company shall provide to the Bank an undated cheque super-scribed to the format “Not exceeding ₹ 50,50,00,000/-”
- (h) The Company is required to intimate the Bank at the time of raising any further loans/ availing any facility/ies from any other bank or financial institution.
- (i) The Company is required to obtain prior permission from the Bank before raising any further loans/availing any facility against assets offered as security for facility of the Bank. Reduction / change in promoter shareholding/ change in promoter directorship resulting in change of management control is required to be undertaken with prior permission of the Bank. Pledge of shares by promoters which may potentially change the management control (if pledge is enforce) shall be undertaken with prior approval of the Bank. For the above purpose, transfer of shares includes formation of a Trust which becomes the beneficiary of promoters’ shareholding.
- (j) In case of delay or default, in repayment of any of the facilities availed by the Company from the Bank or any other bank or financial institution, the Company shall not allow any payout by way of salary to directors (other than professional directors)/ partners/ proprietors or by way of interest to other subordinated lenders or by way of dividend to shareholders.
- (k) The Company is required to route its banking business including deposits, foreign exchange business and bill business through Bank pro-rata to the Bank’s exposure in the aggregate credit facility from the banking system.
- (l) The Bank has to first right of refusal for entry into the working capital banking arrangement of the Company for its incremental working capital needs arising out of the expansion/ modernization/ diversification program.
- (m) Unsecured loans and advanced availed from friends/ relatives/ partner/ Directors shall not be repaid during the currency of the Bank’s exposure.
- (n) The Company can open any new current account with any Bank only after obtaining a no-objection certificate from the Bank.
- (o) The Company shall not advance or give any loans to group companies and promoters without prior approval of the Bank.
- (p) The Company shall not undertake borrowing without obtaining a no objection certificate from the Bank.
- (q) No change in shareholding/management control in the Company shall occur without no objection certificate of the Bank.
- (r) It shall not extend advances/ loans to group companies for capex. Advances for sales/purchases shall be on business terms.
- (s) USL to be subordinated to the Bank.
- (t) Dividend payout/ salary to directors to be subservient to the Bank.
- (u) No objection certificate is required to be obtained from the Bank by the Company before an initial public offering.
- (v) Proportionate routing through the Bank to be established within 3 (three) months.

Events of Default: In terms of the borrowing arrangements entered into by us, the occurrence of any of the following, among others, constitutes an event of default:

- (a) Inability of the Company (or the security provider and/or the guarantor) to repay debts to any person or any steps being taken by any person accelerating the payment obligation of the Company/ security provider/ guarantor (prior to the relevant due date either for payment of interest or principal or instalment) or declaration by any person of an event of default under their respective arrangements with the Company (or the security provider and/or the guarantor) or any event which under any law, statute, rule, ordinance etc. would have the effect of suspending or waiving all or any right of the creditors generally, against the Company (or security provider and/or the guarantor) or in respect of any contract or agreement concerning the Company (or security provider and/or the guarantor).
- (b) Any demand made against or filing of any application in respect of/against the Company, any associate or affiliate of the Company or any Security Provider and/or guarantor, under the IBCand regulations made thereunder (or which demand filing or application may lead to a proceeding under IBCby any person including any creditor (whether operational or financial) of the Company/ security provider /guarantor.
- (c) If any representations or statements or particulars made in the agreement found to be incorrect or commits any breach or default of the terms and/or conditions contained herein or any other agreement between the Bank and The Company;
- (d) If there is any deterioration or impairment of the secured assets or any part thereof, or any decline or depreciation in the value or market price thereof (whether actual or reasonably anticipated) which causes the security in the judgment of the Bank to become unsatisfactory as to character or value;
- (e) If any attachment, distress, execution or other process against The Company /its assets/bank accounts, or any of the secured assets is threatened, enforced or levied upon by any person;
- (f) The insolvency, winding up, failure in business, commission of an act of bankruptcy, general assignment for the benefit of creditors, suspension of payments to any creditors or threats to do so, filing of any petition for bankruptcy by, or against the Company under the IBC, or the threat to do so or the death of any guarantors;
- (g) If a receiver is appointed in respect of the whole or any part of the property/ assets of the Company;

- (h) If the Company ceases or threatens to cease or carry on its business;
- (i) If it is certified by an accountant of a firm of accountants appointed by the Bank (which the Bank is entitled and authorised to appoint at any time) that the liabilities of the Company exceed the Company's assets or that the Company is carrying on business at a loss;
- (j) If the Company, without prior written consent of the Bank and the trust company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over the Company's property or any part thereof, which is or shall be the security for the repayment of the said Dues except for securing the existing facilities availed by the Company;
- (k) If any circumstance or event occurs which adversely affects or is prejudicial to or impairs or imperils or jeopardise or is likely to adversely affect, prejudice, impair, imperil, depreciate or jeopardise any security given by the Company or any part thereof or the capacity of the Company to repay the facility or any part thereof;
- (l) Upon happening of any substantial change in the constitution or management of the Company without previous written consent of the Bank or upon the Company or the management of the Company ceasing to enjoy the confidence of the Bank;
- (m) Any default by the Company under the existing facilities or any other agreement or other writing between the Company and/or the Guarantors and the Bank or between the Company and/or the Guarantor and any third party.
- (n) If any of the post-dated cheques/ standing instructions/ECS mandates issued by the the Company to the Bank are dishonored.
- (o) Upon withdrawal of guarantee given by the trustee company to the Bank for any reason whatsoever;
- (p) Upon happening of a specified event.

Consequences of occurrence of events of default:

- a) review the sanctioned facility, including cancellation of the facility;
- b) require the borrower to prepay the loan on dates earlier than the dates mentioned in the repayment schedule;
- c) block the drawing power in the account maintained with the lender;
- d) sell, transfer or assign the facility to any third party;
- e) debit our loan account towards satisfaction of processing fees; insurance fees or any other charges as applicable;
- f) enforce the security over the hypothecated assets;
- g) impose penal interest over and above the contracted rate on the amount in default;
- h) appoint its nominee director on the Board of our Company; and
- i) exercise all other remedies as available under applicable laws.

The above-mentioned list is indicative and there may be additional consequences on the occurrence of an event of default under the various borrowing arrangements entered into by our Company. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Consolidated Financial Statements for the six months period ended on September 30, 2021 and Financial Years ended on March 2021, 2020 and 2019 including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus. Unless otherwise stated, financial information used in this Section is derived from the Restated Consolidated Financial Statements.

While we have historically prepared our financial statements in accordance with Indian GAAP, in accordance with applicable law, Effective from April 01, 2018 we have voluntarily adopted all the IND AS standards and we have transitioned our financial reporting from Indian GAAP to Ind AS, with April 1, 2017 as the transition date. This Section includes a discussion of financial results for the six months period ended on September 30, 2021 and Financial Years ended on March 2021, 2020 and 2019 which were prepared under Ind AS. For the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard". The Restated Financial Statements, prepared and presented in accordance with Ind AS and in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI.

Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Financial Information Statements may not be comparable to our historical financial statements.

This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 17 and 26, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year.

OVERVIEW

The Mukka Group has a rich legacy of over 5 decades in the Indian Marine Industry and is currently led by our Managing Director and CEO Mr. Kalandan Mohammed Haris. Mukka Proteins Limited, a Fish Meal, Fish Oil and Fish Soluble paste Company, was started by one of the founders Mr. Kalandan Abdul Razak (father of our Managing Director and CEO), who has a extensive experience, immense knowledge & expertise in Fish Meal, Fish Oil and Fish Soluble Paste. Our Business is extended to manufacture of High Quality Fish Meal and Omega-3 Fish Oil which is used as a raw material in aqua feed, poultry feed, pet feed, EPA-DHA extraction, animal feed, soap manufacture, leather tanneries & Paint industries across globally.

For detail information on business of the Company please refer chapter titled "**Our Business**" beginning on page no 141 of the Draft Red Hearing Prospectus.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer chapter titled "**Restated Financial Statements**" beginning on page no 221 of the Draft Red Herring Prospectus.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the Section titled "**Risk Factors**" beginning on page 26 of the Draft Red Hearing Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;

9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. General economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company's ability to successfully implement its growth strategy and expansion plans;
13. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. Inability to successfully obtain registrations in a timely manner or at all;
15. Occurrence of Environmental Problems & Uninsured Losses;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. Any adverse outcome in the legal proceedings in which we are involved; and
18. Concentration of ownership among our Promoters.
19. The performance of the financial markets in India and globally.
20. Impact of covid-19 on our business and operations.

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the Restated Consolidated Financial Statements for the six months period ended September 30, 2021 and for the FY ended March 31, 2021, March 31, 2020 and March 31, 2019.

(In Millions)

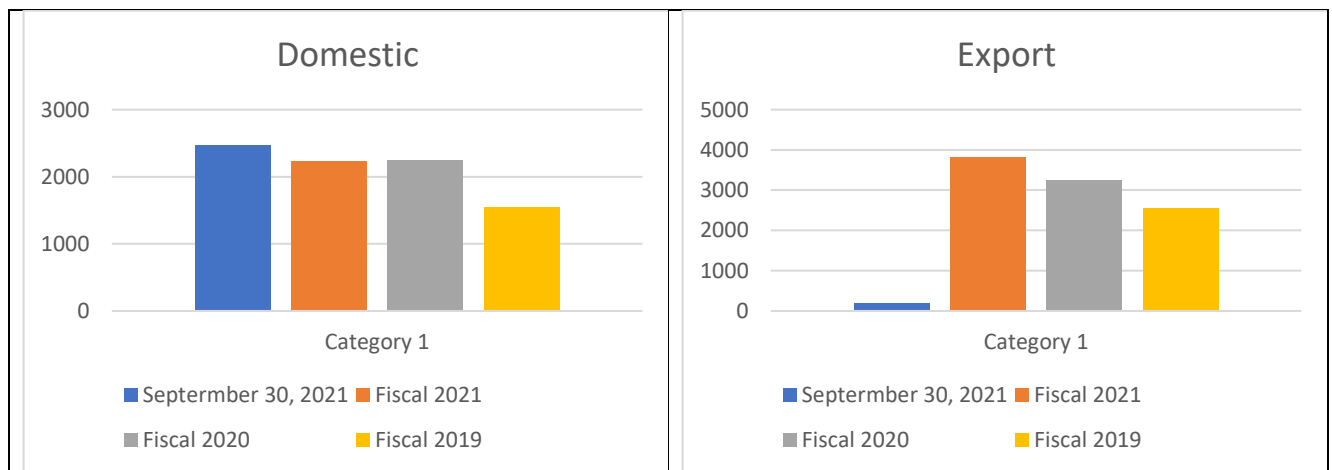
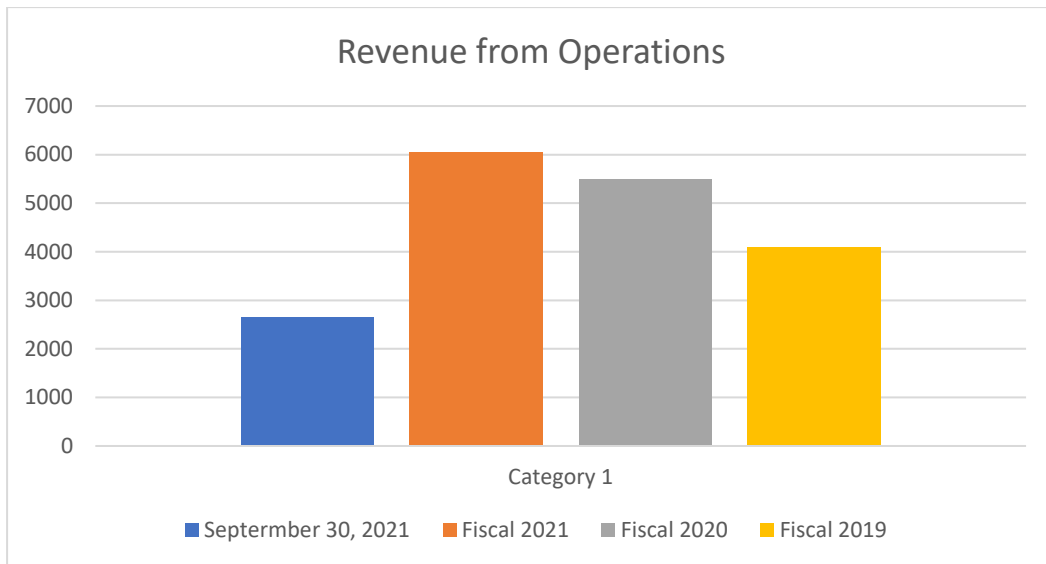
Particulars	For the Period ended September 30, 2021	% of total Income	For the year ended March 31					
			2021	% of total Income	2020	% of total Income	2019	% of total Income
REVENUE: -								
Revenue from Operations	2,652.36	99.04%	6,038.34	98.38%	5,492.48	98.59%	4,087.89	99.30%
Other income	25.71	0.96%	99.39	1.62%	78.42	1.41%	29.01	0.70%
Total Income	2,678.07	100.00%	6,137.73	100.00%	5,570.90	100.00%	4,116.90	100.00%
EXPENSES: -								
Cost of materials consumed	1,781.80	66.53%	5,483.09	89.33%	4,724.34	84.80%	3,868.86	93.97%
Changes in inventories of finished goods	352.59	13.17%	-345.64	-5.63%	3.94	0.07%	-405.16	-9.84%
Employee benefits expense	88.74	3.31%	149.67	2.44%	83.10	1.49%	58.68	1.43%
Finance costs	48.92	1.83%	80.21	1.31%	72.08	1.29%	43.38	1.05%
Depreciation and amortization expense	50.78	1.90%	83.43	1.36%	46.91	0.84%	24.29	0.59%
Other expenses	261.82	9.78%	532.43	8.67%	443.23	7.96%	331.93	8.06%
Total Expenses	2,584.65	96.51%	5,983.17	97.48%	5,373.59	96.46%	3,921.98	95.27%
Profit Before Tax and Exceptional Items	93.42	3.49%	154.56	2.52%	197.31	3.54%	194.92	4.73%
EXCEPTIONAL ITEMS	-	0.00%	-	0.00%	-	0.00%	-6.89	-0.17%
Profit Before Tax	93.42	3.49%	154.56	2.52%	197.31	3.54%	188.03	4.57%
Tax Expense: -								
Current tax	33.52	1.25%	27.69	0.45%	45.16	0.81%	43.78	1.06%
Earlier years	-	0.00%	12.70	0.21%	19.46	0.35%	-	0.00%
Deferred Tax	-0.79	-0.03%	4.06	0.07%	-3.06	-0.05%	7.44	0.18%
Total Tax Expense	32.73	1.22%	44.45	0.72%	61.56	1.11%	51.22	1.24%
Profit / (Loss) for the Year/Period	60.69	2.27%	110.10	1.79%	135.74	2.44%	136.81	3.32%

The following discussion on results of operations should be read in conjunction with the Restated Consolidated Financial Statements for the six months period ended September 30, 2021 and for the FY ended March 31, 2021, March 31, 2020 and March 31, 2019.

Key Components of Our Profit and Loss Statement:

Revenue from operations:

The company derive revenue from operations mainly consists of revenue from Domestic and Exports sale of Fish Meal, Fish Oil and Fish Soluble paste.



Other Income:

Our other income primarily comprises of foreign exchange fluctuation gain, Profit from Firm/Company, Remuneration from Partnership Firm, Interest and Rent Income.

Expenses:

Company’s expenses consist of cost of Materials Consumed, Changes in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and Amortization expenses and Other Expenses consist of Direct Manufacturing Expenses and Selling & Administrative Expenses.

Cost of Material consumed:

Our cost of material consumed mainly consists of Raw Fish purchased and semi-finished fish meal purchased.

Employee benefits expense:

Our employee benefits expense primarily comprises of Salaries and Wages, Contribution to Provident and Other Funds and Staff Welfare Expenses etc.

Finance Costs:

Our finance cost includes Bank interest on cash credit limit, term loan, delayed payment of taxes, Bank charges etc.

Depreciation and Amortization Expenses:

Depreciation includes depreciation on Building, Plant & Machinery, Vehicles, Furniture & Fixtures, Office Equipment, Computer and Software, etc.

Other Expenses:

Other expenses include Direct Manufacturing Expenses mainly consists of consumption of Consumables, stores and spares, Labour charges, and Power, Fuel and Water charges. Further it also includes Selling and Administrative Expenses mainly consist of Export expenses, Freight Outward, Legal, Professional & consultancy fees, Advertisement & Business Promotion Expenses, Travelling & conveyance expenses, insurance expenses, printing & stationery and other office administrative expenses.

FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE SIX-MONTH PERIOD ENDED ON SEPTEMBER 30, 2021

Total Income: Our company's total income during the 6 months period (Apr'21 to September'21) was ₹2678.07 million. The revenue from operation was ₹2652.36 million which is almost 99.04% of total revenue out of which ₹191.29 million of revenue has been generated from Export Turnover and ₹2461.07 million has been generated from domestic turnover.

Other Income:

During the period ended September 30, 2021 our other Income is ₹25.71 million which is 0.96% of Total income.

Total Expenses:

The total expenditure excluding depreciation, interest and tax amount for the period ended September 30, 2021 is ₹2584.65 million which is about 96.51% of the Total income. The main constituent of total expenditure is cost of material consumed which is almost 66.53% of the total income.

Cost of Materials Consumed:

Our Company has incurred ₹1781.80 million for Cost of materials consumed expense during the period ended September 30, 2021 which is about 66.53% of the Total income.

Employee benefits expense:

Our Company has incurred ₹88.74 million as employee benefit expenses during the period ended September 30, 2021 consisting of Salary expenses, remuneration, etc. which comprises of 3.31% of the Total Income.

Finance costs:

These Costs were ₹48.92 million for the period ended September 30, 2021 comprising of Interest Expense, bank charges, etc. which is about 1.83% of the Total Income.

Depreciation and Amortization Expenses:

Depreciation for the Period ended September 30, 2021 is ₹50.78 million which is about 1.90% of the Total income.

Other Expenses:

Our Company has incurred ₹261.82 million for the period ended September 30, 2021 on other expenses which comprises of 9.78% of the Total Income.

Restated Profit before tax:

The profit before tax for the Period ended September 30, 2021 stood at ₹93.42 million which is 3.49% of the Total Income.

Restated profit after tax:

The profit after tax for the period ended September 30, 2021 stood at ₹60.69 million which is 2.27% of the Total Income.

Since the Results are for five months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

Financial Year 2021 Compared to Financial Year 2020 (Based on Restated Consolidated Financial Statements)**Total Income:**

Total income for the financial year 2020-21 stood at ₹6137.73 million, whereas in the Financial Year 2019-20 the same stood at ₹5570.90, representing an increase of 10.17%.

Revenue from Operations

During the financial year 2020-21 the net revenue from operation of our Company increased to ₹6038.34 million as against ₹5492.48 million, in the Financial Year 2019-20 representing an increase of 9.94%. Such increase in revenue from operations was due to increase in volume from operation.

Other Income:

During the financial year 2020-21 the other income of our Company increased to ₹99.39 million as against ₹78.42 million in the Financial Year 2019-20 representing an increase of 26.75%.

Total Expenses:

The Total Expenditure for the financial year 2020-21 increased to ₹5983.17 million from ₹5373.59 million in the Financial Year 2019-20 representing an increase of 11.34%. This increase was mainly due to increase in volume of operation during the FY as mentioned in the Revenue from operations.

Cost of Materials Consumed:

The cost of materials consumed for the year 2020-21 increased to ₹5483.09 million from ₹4724.34 for the 2019-20, representing an increase of 16.06% to the previous year. This increase was mainly due to increase in volume of operation during the FY as mentioned in the Revenue from operations.

Employee benefits expense:

Our Company has incurred ₹149.67 million as Employee benefits expense during the financial year 2020-21 as compared to ₹83.10 million in the financial year 2019-20.

Finance costs:

Finance costs for the financial Year 2020-21 increased to ₹80.21 million as against ₹72.08 million during the financial year 2019-20 representing an increase of 11.27%.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2020-21 stood at ₹83.43 million as against ₹46.91 million during the financial year 2019-20

Other Expenses:

Our Company has incurred ₹532.43 million during the Financial Year 2020-21 on other expenses as against ₹443.23 million during the financial year 2019-20. The increase of 20.13% was mainly due to increase in volume of operation.

Restated Profit before tax:

Net Profit before tax for the financial year 2020-21 increased to ₹154.56 million as compared to ₹197.31 million in the financial year 2019-20.

Restated profit after tax:

The Company reported Restated profit after tax for the financial year 2020-21 of ₹154.56 million in comparison to ₹197.31 million in the financial year 2019-20.

Financial Year 2020 Compared to Financial Year 2019 (Based on Restated Financial Statements)**Total Income:**

Total income for the financial year 2019-20 stood at ₹5570.90 million whereas in Financial Year 2018-19 the same stood at ₹4116.90 million representing an increase of 35.32%.

Revenue from Operations

During the financial year 2019-20 the net revenue from operation of our Company increased to ₹5492.48 million as against ₹4087.89 million in the Financial Year 2018-19 representing an increase of 34.36%. Such increase was due to increase in volume of operation.

Other Income:

During the financial year 2019-20 the other income of our Company decreased to ₹78.42 million as against ₹29.01 million in the Financial Year 2018-19 representing an increase of 170.31%. such increase was mainly due to increase in foreign exchange fluctuation gain and increase in profit from firm.

Total Expenses:

The Total Expenditure for the financial year 2019-20 increased to ₹5373.59 million from ₹3921.98 in the Financial Year 2018-19 representing an increase of 37.01%.

Cost of Materials Consumed

The Cost of materials consumed for the year 2019-20 increased to ₹4724.34 million from ₹3868.86 million for the Financial Year 2018-19, representing an increase of 22.11% to the previous year.

Employee benefits expense:

Our Company has incurred ₹83.10 million as Employee benefits expense during the financial year 2019-20 as compared to ₹58.68 million in the financial year 2018-19. The increase of 41.60% was due to increase in employee's expenses.

Finance costs:

These costs were for the financial Year 2019-20 increased to ₹72.08 million as against ₹43.38 million during the financial year 2018-19.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2019-20 stood at ₹46.91 million as against ₹24.29 million during the financial year 2018-19.

Other Expenses:

Our Company has incurred ₹44.23 million during the Financial Year 2019-20 on other expenses as against ₹33.13 million during the financial year 2018-19. The increase of 33.53% was mainly due to increase in volume of operation.

Restated Profit before tax:

Net profit before tax for the financial year 2019-20 was ₹197.31 million as compared to Net Profit before Tax of ₹188.03 million during the financial year 2018-19.

Restated profit after tax:

The Restated Profit after tax for the financial year 2019-20 was ₹135.74 million as compared to Restated Profit after Tax of ₹136.81 million during the financial year 2018-19.

Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

Except as described in the Draft Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent."

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except as disclosed in the Draft Red Herring Prospectus, there are no significant economic changes that may materially affect or 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.

Except as disclosed in the Draft Red Herring Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the Sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 26, 141 and 269 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. Total turnover of each major industry segment in which our Company operates

The Company is in the business of manufacturing of Fish Meal, Fish Oil and Fish Soluble Paste. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 82 of this Draft Red Herring Prospectus.

6. Increases in net sales or revenue and introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

7. Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter "*Our Business*" and "*Object of the Issue*" on page no 141 and 68 respectively of the Draft Red Herring Prospectus, our Company has not announced any new product.

8. Seasonality of business

Our production and operations depends on the regular supply of raw fish in particular pelagic fish. The supply of raw fish may be affected as per environmental factors, natural disasters, beyond our control and government ban on fishing during the monsoon season for propagating breeding.

9. Competitive conditions

Competitive conditions are as described under the Chapters "*Industry Overview*" and "*Our Business*" beginning on pages 82 and 141 respectively of the Draft Red Herring Prospectus.

10. Details of material developments after the date of last balance sheet i.e., September 30, 2021

After the date of last Balance sheet i.e., September 30, 2021, the following material events have occurred after the last audited period –

Recently, the Company diversified its products by developing alternative proteins such as Black Soldier Fly (BSF) Insect Meal and Insect Oil in the animal food industry. With this vision, the Company has entered in to a Joint Venture Agreement dated September 13, 2021 between Ento Proteins Private Limited (EPPL) and Holocene Ecosolutions Private Limited (HEPL) (a part of Sakku Group based in Guntur, Andhra Pradesh, one of the largest producers of BSF eggs in India. It is projected that the insect meal industry is set to take off in the next decade and the volumes could increase from present 10000 MT to 500000 MT by 2030.

The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 25, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on February 28, 2022 pursuant to Section 23 of the Companies Act.

Except as disclosed in the Draft Red Herring Prospectus including under our "*Risk Factors*", "*Capital Structure*" and "*our Business*", to the best of our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this Section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Subsidiaries, its Directors and Promoters (**‘Relevant Parties’**).*

*Our Board, in its meeting held on February 25, 2020, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation (**‘Material Litigation’**) (i) if the aggregate amount involved which exceeds 0.1% of the revenue from operations of our Company as per the Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company.*

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, have not been considered as litigation until such time that the Relevant Parties are not impleaded as a defendant in the litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated February 25, 2020. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 1% of the revenue of the Company as per the Restated Financial Statements of our Company as at 1% disclosed in this Draft Red Herring Prospectus, would be considered as material creditors.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

LITIGATIONS INVOLVING THE COMPANY

A. LITIGATION FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Writ Petition bearing no. 1729/ 2021 (GM-POL) filed by (i) Mr. P. R. P. Shetty, (ii) Mrs. Rashme Gopi, and (iii) Mr. Anil Kumar (the “Petitioners”) against the (i) Union of India Company, (ii) The State of Karnataka, (iii) Deputy Commissioner and Chairman of the District Coastal Zone Management Committee, (iv) Karnataka State Pollution Control Board, (v) The Company (the “Respondent”) before the Hon’ble High Court of Karnataka

The Petitioners are residents of the area where the factory of the Company is located. The Petitioners had submitted a representation to the Karnataka State Pollution Control Board alleging various environmental issues caused by factories established by the Respondent Nos. 5, 6 and 7. The Petitioners have alleged that no appropriate action has been taken against the Respondent companies 5, 6 and 7. The Petitioners have alleged that the factories of Respondent Nos. 5, 6 and 7 are in violation of the Coastal Regulation Zone Notification (CRZ Notification), 2011, which has imposed a specific ban inter alia on setting up and expansion of fishing processing units. The Petitioners have filed the present Writ Petition No.1729/2021 in the nature of Public Interest Litigation (PIL) inter alia for the following reliefs: (i) direct the Respondents No. 1 to 4 to direct the Respondent Nos.5 to 7 to immediately cease operations and permanently shut-down its industries at Mukka, Sasihithlu, Mangaluru, Dakshina Kannada District; (ii) direct the Respondents No.1 to 4 to take necessary steps to ensure that Respondent Nos. 5 to 7 restore the area to its previous pristine state; (iii) direct the Respondent No.1 to commission a Regional Environmental Impact Assessment along with ecological survey to comprehend the individual and cumulative impact of the Respondent Nos.5 to 7’s industries on the biodiversity, environment, human beings, human settlements, livelihoods, traditional knowledge, etc.; and (iv) prepare and implement a plan to remedy the negative impacts caused by the Respondent industries on the “polluter pays principle”, including awarding of compensation to the affected people. Pending

disposal of WP No.1729/2021, the Petitioners have prayed that the Hon'ble Court may be pleased to issue an order of injunction restraining the Respondent Nos. 5 to 7 from running the industries at Mukka, Sasihithlu, Mangalore, D.K. District in the interest of justice and equity. The Company has filed its Statement of Objections to the said Writ Petition denying all the allegations made by the Petitioners and bringing on record the correct and applicable facts in its defence especially indicating that the provisions of CRZ Notification, 2011, is not applicable to the Company and its factory unit is in existence much before the year 1991 and operation of such fishing processing unit is legal and such position has been accepted by the Coastal Zone Regulatory authorities in its joint report dated March 2, 2021 and requesting for dismissal of the Writ Petition No.1729/2021. Vide Order dated February 2, 2021, the Hon'ble High Court of Karnataka, Bengaluru, passed an interim order directing the Jurisdictional Environmental Officer of Karnataka Pollution Control Board and the representative of District Environmental Zone Management Committee to visit the industries/properties occupied by the Respondent Nos. 5, 6 and 7 and submitted a detailed report in the context of allegations made in the Writ Petition No.1729/2021. The Karnataka Pollution Control Board has submitted its Inspection Report to the Hon'ble High Court of Karnataka on February 5, 2022. The matter is pending.

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable (₹)	Stage
1.	Customs for the period September 2014 to October 2015	1	₹ 3,59,68,782/- (Rupees Three Crores Fifty-Nine Lakhs Sixty-Eight Thousand Seven Hundred and Eighty-Two Only)	Commissioner of Customs and Excise

4. Other Pending Litigations

Original Suit bearing no O.S. 411/2015 filed by Surendra Rao against (i) the Company, (ii) Raveendra Rao, (iii) Sarojini Bai, (iv) Vidya Nayak and (v) Veena Nayak before the Senior Civil Judge, Mangaluru, D. K.

The Company has purchased a non- agricultural immovable property situated at Attavara Village of Mangaluru Taluk bearing R.S No. 172/2, with residential house bearing Door No. 18-02-16/4 (“**the Property**”) vide a sale deed dated September 23, 2005, from Sri. Raveendra Rao and Smt. Sarojini Bai. The property originally was purchased by the deceased Mr. Rathankar Rao who was the father of Sri. Raveendra Rao, Sri Surendra Rao, Nayak, Veena Nayak and husband of Sarojini Bai. Further, a settlement deed dated March 9, 2004, was executed by the deceased in respect of the Property in favour of Sri. Raveendra Rao and Smt. Sarojini Bai. Sri Surendra Rao had originally filed a suit bearing No. 411/2015 before the Hon'ble the Senior Civil Judge, Mangaluru, D.K, (“**Hon'ble Judge**”) against the Company and Mr. Raveendra Rao, Sarojini Bai, Vidya Nayak and Veena Nayak inter-alia praying for seeking a decree and partition in the Property. An order was issued on October 13, 2015, by the Hon'ble Judge granting a temporary injunction thus restraining Mr. Ravendra Rao from alienating the property. The Hon'ble Court passed two orders dated November 4, 2016 and November 15, 2016, wherein certain documents were accepted as agreements. Upon being aggrieved by the aforesaid orders, Sri Surendra Rao filed a Writ Petition in WP no. 4290/2017 dated January 23, 2017 before the Hon'ble High Court of Karnataka, inter-alia challenging the aforesaid orders. The Hon'ble High Court of Karnataka granted a stay on proceedings in O.S 411/2015 for a period of 8 weeks vide an Order dated February 10, 2017. By an interim order dated March 16, 2018, the Hon'ble High Court of Karnataka granted a stay on further proceedings in the suit bearing no. 411/2015. Based on the interim order granted, Sri Surendra Rao filed another Civil Suit O.S.No.330/2018 dated March 20, 2018 before the Civil Judge, Mangalore inter-alia praying that while the proceedings in O.S 411/2015 continue, the Company shall not construct on or use the Property. Sri Surendra Rao also filed M.A No. 15/2018 before the II Additional Senior Civil Judge, Mangaluru, D.K inter-alia seeking order of temporary injunction wherein vide Order dated May 30, 2018 and the II Additional Senior Civil Judge, Mangaluru, D.K granted an order of temporary injunction restraining the Company from putting up further construction on the Property. Aggrieved by this Order, the Company filed the Writ Petition bearing No.24324/2018 before the Hon'ble High Court of Karnataka inter-alia praying that the Hon'ble High Court of

Karnataka issue a Writ of Certiorari and quash the aforementioned Order dated May 30, 2018 passed in M.A no.15/2018 pending on the file of the II Additional Senior Civil Judge & CJM at Mangalore, D.K. Consequently, Hon'ble High Court of Karnataka passed an Order dated August 31, 2018 inter-alia dismissing the Company's prayers and continuing the Order dated May 30, 2018. Further, an Interim Application ("IA") was filed by Surendra Rao under Order VI Rule 17 read with Section 151 of the Civil Procedure Code, 1908 ("CPC") to amend the plaint. An objection dated April 17, 2021 was filed by Company stating that the amendment sought before the I Additional Civil Judge, Mangalore would change the nature of the suit and cause of action. An order dated September 09, 2021 was passed by the I Addl. Civil Judge & JMFC., Mangaluru stating that IA-IV filed by Mr. Surendra Rao under Order VI Rule 17 read with Section 151 of CPC was allowed and he was permitted to amend the plaint by incorporating the proposed amendment. The matter is currently pending.

B. LITIGATIONS FILED BY OUR COMPANY

1. Litigation Involving Criminal Matters

Criminal Case bearing no. 32/2013 of 2020 filed by the Company against (i) Shameer Bashyar, (ii) Mohammed Ishan, (iii) Shameer, K. Abbas, (iv) Mrs.Umaya, Mohammed Arif and (v) Mr. Chang Lee ("Accused") before the Hon'ble II Additional CJM, Mangalore.

On February 2, 2013 an FIR was filed by Mohammed Althaf Razak ("**Complainant**") against Accused under Section 120B, 403, 406, 408, 417, 424, 465, 467, 468, 420, 471 read with Section 34 Indian Penal Code, 1860 and Section 66 and 77 Information Technology Act, 2000. The Complainant is the director of the Company and the Accused was employed to work as a quality controller in the lab of Complainant. The Accused created fake e-mail id in the name of the Company in order to misappropriate funds from the Company illegally. The Accused have acquired assets like gold, automobiles, and immovable properties with the embezzled funds. Vide Order dated February 7, 2013 passed by III Addl. Senior Civil Judge & JMFC, Mangalore the Investigating Officer (I.O) to take custody of Mr. Shameer Bashyar for the misappropriation of funds worth ₹ 3,00,00,000/- (Rupees Three Crore Only). This matter is pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Writ Petition no. 25540/2018 (WP) filed by the Company against the Commissioner, Mangalore City Corporation before the Hon'ble High Court of Karnataka at Bangalore ("the Hon'ble Court")

A Writ Petition No. 25540/2018 dated June 3, 2018, was filed by the Company ("**Petitioner**") before the Hon'ble Court against the Commissioner, Mangalore City Corporation ("**Respondent**") seeking a direction in the nature of Writ of Mandamus to direct the Respondent to reconsider the representation made by the Petitioner on May 29, 2018, stating that the Petitioner complies with all regulations, including payment of penalty and requesting the Respondent not to demolish the temporary shed accommodating the labourers at land bearing no. 12/12 of Surathkal Village, Mangalore Taluk. The Petitioner had purchased 21 cents of land bearing no. 12/12 of Surathkal Village, Mangalore Taluk coming within the limits of Mangalore City Corporation which includes a small Temporary Shed vide Sale Deed dated September 9, 2016 and used the same to provide temporary shelter to labourers. The Respondent passed an Order bearing reference no. Na.Yo.Vi/Cr.5/2017-18 dated July 31, 2017, under Section 321(3) of the Karnataka Municipal Corporation Act, 1976 to remove the structure within 15 (fifteen) days. Being aggrieved by the aforesaid Order dated July 31, 2018, the Petitioner filed an Appeal dated August 18, 2017, bearing no. M.A no. 22/2017 under Section 443-A of Karnataka Municipal Corporation Act, 1976, before the Hon'ble IV Additional District and Session Judge, D.K. Mangalore ("**the Hon'ble Trial Court**") seeking to set aside the Order dated July 31, 2017. The Hon'ble Trial Court after hearing the matter at length passed an Order dated December 16, 2017, modifying the aforesaid Order dated July 31, 2017 passed by the Respondent and granted 6 (six) months period for removal of the temporary shed. Therefore, the Petitioner filed the above Writ Petition before the Hon'ble Court inter-alia praying that the Hon'ble Court issues a Writ in the nature of writ of mandamus directing the Respondent to reconsider the representation made by the Petitioner on May 29, 2018 and not to demolish or bring down the structure until the representation dated May 29, 2018 is considered and a decision is taken thereof or during the pendency of the Writ Petition. The matter is currently pending before the Hon'ble Court. The matter is pending.

Writ Petition Nos. 33805, 38806, 33807 and 33808 of 2016 by the Company against the Director General of Foreign Trade and Another Before the Hon'ble High Court of Karnataka, Bangalore ("Hon'ble Court").

A Writ Petition No. 33805 of 2016 dated June 15, 2016, was filed by the Company ("**Petitioner**") before the Hon'ble Court against the Director General of Foreign Trade ("**Respondent**") for violating Article 14 of the Constitution by discriminating against the Petitioner pursuant to an impugned interpretation of the Schedule of Duty Entitlement Passbook ("**DEPB**") Scheme, which bears no nexus and is in no way connected to the objective of the

Scheme. The objective of DEPB scheme was to neutralize incidence of customs duty on import content of export product. The Petitioner had availed the benefit of the scheme under the head “fish and fish products”. The DGFT constituted a Policy Interpretation Committee “(PIC)” in respect of an application filed by an exporter of Tamil Nadu seeking clarification for rejection of their claim for DEPB scheme with respect to export of fish meal and fish oil. The decision given by the PIC was unjust and discriminatory in nature. Therefore, being aggrieved by the impugned decision by PIC, the Petitioner inter-alia filed the above Petition praying to the Hon’ble Court (i) to issue a writ of certiorari or order or direction in the nature of writ of certiorari and quash the decision of the PIC. (ii) issue a writ of mandamus directing the Respondents to allow the DEPB scripts to the Petitioner on export of fish meal and fish oil from November 2009, till the date. (iii) DEPB scheme was abolished and (iv) grant any other relief as deemed fit, in the interest of justice and equity. An order dated December 04, 2021, was passed by the Hon’ble Court stating that the Petitioner had questioned the validity of Annexure-A relating to committee decision under the chairmanship of Sri. R.S. Gujral, Director General of Foreign Trade. The Petitioner was provided liberty to implead the aforesaid party. As respondent within a period of two weeks, failing which, writ petition would stand dismissed for non-joinder of necessary party. Subsequently, an order dated December 04, 2021, was passed by the Hon’ble Court stating that the learned ASG was to accept notice for Respondent No.3 and the Petitioner was ordered to serve copy of the Petition along with documents on the learned ASG and file an acknowledgment in the Registry within one week, failing which petition would stand rejected on its own as whole. This matter is currently pending before the Hon’ble Court.

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable (Rs.)	Stage
1.	Income Tax under the Income Tax Act, 1961	6	Rs. 5,05,12,065/- (Rupees Five Crores Five Lakhs Twelve Thousand Sixty-Five Only)	Commissioner of Income Tax (Appeals)-2 Panaji

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

Original Suit bearing no. 76/2013 filed by the Company (“Plaintiff”) against (1) Mohammed Shameer Bashyar, (2) Mohammaed Ishan, (3) K. Abbasa, (4) Umayibanu, (5) Mohammed Arif, and (6) Chan Lee (“Defendant’s”) before the Senior Civil Judge and CJM, Mangalore (“the Hon’ble Court”)

The Plaintiff filed a Suit bearing no. 76/2013 dated April 26, 2014, before the Hon’ble Court against Defendant No. 1 and others inter-alia stating that a loss of ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) was suffered by the Plaintiff on account of fraud and illegalities done by the Defendants. The Plaintiff had entered into an exclusive distribution agreement dated August 13, 2010 with Ateneo & Associates Private Limited to act as a sole representative and distributor to sell and distribute the products of the Plaintiff in the territories of South Korea, Japan, Taiwan and China. In the above suit, the Plaintiff has inter-alia prayed for judgement and decree in its favour directing the Defendants to pay a sum of ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) jointly and severally along with 18 (eighteen)% interest and to grant such relief as the Hon’ble Court may deem fit. Further, the Defendant No.1 filed a written statement under Section 26 Order VIII Rule 1 to 6 of the Civil Procedure Code, 1908 denying the allegations of the Plaintiff. Subsequently, the Plaintiff filed a criminal case bearing no. 32/2013 before the Hon’ble II Additional CJM, Mangalore. The said case is currently pending before the Hon’ble II Additional CJM, Mangalore. The III Additional Senior Civil Judge and Additional Chief Judicial Magistrate, vide an Order dated October 30, 2019, directed that the Plaintiff be paid ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) with 6% (six) p.a. interest from the date of the suit till such payment is made by the Defendants. The Plaintiff filed an application for before the III Additional Senior Civil Judge, Mangaluru inter-alia praying for an order of attachment and sale of immovable properties situated at Ullal Village of Mangaluru Taluk, belonging to the Mohammed Shameer. Further, on February 19, 2020, the Plaintiff filed for an execution petition against the Defendants for attachment and sale of the Defendants’ immovable properties to satisfy the decretal amount which along with other

costs amounts to ₹2,04,34,539/- (Rupees Two Crore Four Lakhs Thirty-Four Thousand Only). An order dated August 20, 2020 was passed by the III Addl. Senior Civil Judge and JMFC, Mangalore in case no. Ex.C/492020 granting relief to the Company by ordering the sale of immovable properties situated at Ullal Village of Mangaluru Taluk comprised in Survey no. 37-6A (part) converted measuring 0-03.00 cents with building bearing Door No.8-98/2 with all rights of way of water and mamool rights and the sale proceeds be paid to the Company in satisfaction of the decret amount, i.e., ₹ 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) and also interest from April 26, 2013 to December 31, 2019 and cost of the suit, which in aggregate amounts to ₹2,04,34,539/- (Rupees Two Crore Four Lakh Thirty-Four Thousand Five Hundred Thirty-Nine Only). The matter is pending.

Complaint No. CC/59/2021 was filed by the Company before the State Consumer Dispute Redressal Commission at Bengaluru (“the Hon’ble Forum”) against Kotak Mahindra Bank Limited (“Respondent”).

The Respondent had unveiled a Customer Rights Policy in 2015 (“Policy”) wherein it promised to strictly abide by the rights provided therein to the customers. The Respondent had issued a sanction letter bearing reference no. SME/240120/2930 dated January 27, 2020 informing the Company about various credit facilities that had been sanctioned in favour of the Company. The Company was deeply aggrieved by the levying of unlawful pre-closure charges and processing fee, and several other irregularities by the Respondent pertaining to the facilities availed by the Company. The sanction letter stipulated a penal charge of 2%(two) on the outstanding loan amount if the liabilities of the borrower were pre-paid to the completion of tenure of the facility which was valid till January 15, 2021. Owing to the discrepancies in the service provided by the Respondent, the Company approached Yes Bank to take over the facilities previously availed from the Respondent. The Company required a no-dues certificate from the Respondent which the Respondent refused to provide and it further claimed that the Company was obligated to pay a 2% (two) pre-closure charges along with 18%(eighteen) GST on working facilities. The Company was constrained to pay the aforementioned charges as the no-dues certificate was to be submitted to Yes Bank for perfection of security. The Company filed a complaint bearing complaint no. CC/59/2021 against the Respondent before the Hon’ble Forum aggrieved by the levy of foreclosure charges and several other irregularities and inter alia prayed (i) to direct the Respondent to refund the amount of ₹ 70,80,000/- (Rupees Seventy Lakh Eighty Thousand Only) to the Company which it illegally collected on June 11, 2021 as foreclosure charges; (ii) to direct the Respondent to pay an amount of ₹16,42,876/- (Rupees Sixteen Lakh Forty Two Thousand Eight Hundred Seventy Six Only) recovered on March 16, 2021 to the Company which the Company lost when the Respondent applied the lower conversion rate of ₹69.22/- (Rupees Sixty- Nine and Twenty-Two Paise Only) in place of the actual conversion rate of ₹71.22/- (Rupees Seventy One and Twenty-Two Paise Only) ;(iii) to direct the Respondent to pay an amount of ₹ 5,16,695/- (Rupees Five Lakh Sixteen Thousand Six Hundred and Ninety Five Only) recovered on March 16, 2021 to the Company which is the amount lost by the Company due to the rise in exchange rate of USD to INR as a result of the Respondent’s failure to close the FCTL account on time;(iv) to direct the Respondent to pay an amount of ₹1,32,769/- (Rupees One Lakh Thirty Two Thousand Seven Hundred Sixty Nine Only) recovered on March 16, 2021 from the Company which is the amount lost by the Company as interest due to the failure of the Respondent to close the FCTL account on time despite payment of entire sum of money; (v) to direct the Respondent to refund the amount of ₹ 8,85,000/- recovered on February 05, 2021 to the Company as the said amount was collected as processing fee for renewal of credit facilities and the Respondent failed to renew it; (vi) to direct the Respondent to refund the amount of ₹5,90,000/- (Rupees Five Lakh Ninety Lakhs Only) to the Company which is the excess processing fee charged by the Respondent on the working capital limits at the time of granting loan, (vii) to direct the Respondent to pay the Company a sum of ₹ 20,00,000/- (Rupees Twenty Lakh Only) as compensation for the damages caused to the good will of the Company as a result of delay in issuance of no-dues certificate, and all the hardship caused to the Company and its functionaries. The matter is pending.

Consumer Complaint No. CC/1224/2019 was filed by the Company before the National Consumer Dispute Redressal, New Delhi against National Insurance Company Limited (“Respondent”).

The Company had bought a Standard Fire and Special Perils Policy (“Policy”) bearing no. 604301/11/16/3200000362 from the Respondent to protect the large quantities of fish meal and fish oil in the Company’s godown against risk of fire by paying a premium of ₹ 1,88,719/- (Rupees One Lakh Eighty- Eight Thousand Seven Hundred Nineteen). Within the validity of the Policy, an occurrence of emergence of smoke and fire took place at the godown and after a few days, the Respondent conducted a preliminary survey. The Company filed its fire claim with the Respondent stating that it had incurred a loss of ₹ 3,13,78,648/- (Rupees Three Crore Thirteen Lakh Seventy-Eight Thousand Six Hundred Forty- Eight Only). The Company received a letter dated March 19, 2018, from the Respondent after the final survey, that spontaneous combustion was not covered under the Policy. Thereafter, the Company filed a consumer complaint no. 1224/2019 dated seeking directions to set aside the repudiation letter of the Respondent dated March 19, 2018 and to allow the claim of the Company. The matter is pending.

Complaint No. CC/55/2021 dated April 09, 2021 was filed by the Company before the Dakshina Kannada District Consumer Disputes Redressal Commission against United India Insurance Company Limited (“Respondent”)

The Company had obtained insurance for a total sum of ₹20,30,00,000/- (Rupees Twenty Crores and Thirty Lakh Only) from the Respondent for protection against various hazards for its goods stored in its godown for the period of May 20, 2018 to May 19, 2019. Due to heavy rains on May 29, 2018, the Company's godown was flooded with water to a height of about 3 (three) feet from the floor level affecting the insured goods. The Company immediately informed the Respondent and on July 19, 2018, the First Surveyor submitted his final report for the incident and assessed the final claim to be ₹3,71,08,021/- (Rupees Three Crores Seventy-One Lakhs Eight Thousand and Twenty-One Only). In the due course, the Company submitted the requisite documents to the Respondent and it took 9(nine) months to process and settle the claim. Subsequently, the Respondent appointed a second surveyor who conducted his survey on initial assessment of the first the surveyor and revaluated the claim amount to ₹ 1,50,41,160/- (Rupees One Crore Fifty Lakhs One Thousand One Hundred and Sixty Only). The Respondent furnished vague answers when the Company tried seeking clarification for the reduced claims. Aggrieved by the Respondent's actions, the Company filed the complaint against the Respondent under Section 34 of the Consumer Protection Act, 2019. The Company has inter alia prayed for the Commission to (i) direct the Respondent to declare the report by the second surveyor as invalid; (ii) allow claim of the Company to be based on the original survey report amounting to ₹3,71,08,021/- (Rupees Three Crores Seventy-One Lakhs Eight Thousand and Twenty-One Only) along with interest at 15% (fifteen) levied against the original claim for delay caused. This matter is pending.

LITIGATIONS INVOLVING SUBSIDIARIES

A. LITIGATION FILED AGAINST OUR SUBSIDIARIES

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Atlantic Marine Products Private Limited

Show Cause Notice dated January 17, 2022 issued to Gujarat Aquatic Products at S. No. 85/1, Plot No. 4, 5, and 6, Mitiyala, District, Amreli, Tal: Jafrabad, SIDC by the Gujarat Pollution Control Board

The Gujarat Pollution Control Board (“GPCB”) carried out inspection on December 30, 2021 on the premises at S. No. 85/1, Plot No. 4, 5, and 6, Mitiyala, District, Amreli, Tal: Jafrabad, SIDC belonging to Atlantic Marine Products Private Limited to verify the statements made by Gujarat Aquatic Products in its application for obtaining consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 (“Act”). The GPCB issued a show cause notice dated January 17, 2022 to Atlantic Marine Products Private Limited under Section 31(A) read with Section 21 of the Act, under which GPCB observed that (a) change of name from Gujarat Aquatic Products to Atlantic Marine Products Private Limited had occurred; (b) no rotary valve with dust collector provided; and (c) no flow meter with evaporator provided and therefore, it called upon Atlantic Marine Products Private Limited to show cause as to why (1) legal action should not be initiated for the abovementioned non-compliance including rejection of Gujarat Aquatic Products application and suspension/closure of its unit. In response, Gujarat Aquatic Products addressed a letter to GPCB dated January 18, 2022 intimating its compliance with the requirements laid down in the show cause notice dated January 17, 2022. Atlantic Marine Products Private Limited submitted that it had already intimated the GPCB on the name change from Gujarat Aquatic Products to Atlantic Marine Products Private Limited vide its letter dated December 12, 2021 addressed to the GPCB. GPCB is yet to respond to the letter January 18, 2022 This matter is pending.

Show Cause Notice dated January 17, 2022 issued Janvi Fish Products at 224/1P, S.R. No. 224/1P, Plot No. 3, AT Mitiyala, Tal: Jafrabad Atlantic Product Marine Limited by the Gujarat Pollution Control Board

The Gujarat Pollution Control Board (“GPCB”) carried out inspection on December 30, 2021 the premises at Janvi Fish Products, 224/1P, S.R. No. 224/1P, Plot No. 3, AT Mitiyala, Tal: Jafrabad, not in GIDC belonging to Atlantic Marine Products Private Limited to verify the statements made by Janvi Fish Products in its application for consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 (“Act”). The GPCB issued a show cause notice dated January 17, 2022 to Janvi Fish Products under Section 31(A) read with Section 21 of the Act, under which GPCB observed that (a) change of name from Janvi Fish Products to Atlantic Marine Products Private Limited had occurred; (b) no rotary valve with dust collector provided; and (c) no flow meter with evaporator

provided and therefore, it called upon Janvi Fish Products to show cause as to why (1) legal action should not be initiated for the abovementioned non-compliance including rejection of Janvi Fish Products' application and suspension/closure of its unit. In response, Janvi Fish Products addressed a letter to GPCB dated January 18, 2022 intimating its compliance with the requirements laid down in the show cause notice dated January 17, 2022. Atlantic Marine Products Private Limited also submitted that it had already intimated the GPCB on the name change from Janvi Fish Products to Atlantic Marine Products Private Limited vide its letter dated December 12, 2021 addressed to the GPCB. GPCB is yet to respond to the letter January 18, 2022 This matter is pending.

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

Haris Marine Products Private Limited

Original Suit 1/2018 filed by Nexus Feeds Limited ("Petitioner") against HMPPL ("Respondent") before the Court of Senior Civil Judge Mangalore, D. K ("the Hon'ble Court")

The Respondent had supplied the Petitioner with fish oil worth ₹ 11,68,790/- (Rupees Eleven Lakhs Sixty-Eight Thousand Seven Hundred Ninety Only) on April 5, 2012. Accordingly, payment was due from the Petitioner who was making part payments to the Respondent. Under the agreed terms, if the payment is not made to the Respondent within 30 (thirty) days, then interest at the rate of 18(eighteen)% would be levied on the amount payable. The Petitioner had consigned two tankers of fish oil of the value of ₹11,68,790/- (Rupees Eleven Lakhs Sixty-Eight Thousand Seven Hundred and Ninety Only). The Petitioner did not make payment for the same. Thus, the Respondent filed a suit to recover the money before the Hon'ble Court. The Hon'ble Court passed an ex-parte judgement on August 1, 2016 in favour of the Respondent ordering defendant to pay a sum of ₹20,27,799/- (Rupees Twenty Lakhs Twenty-Seven Thousand Seven Hundred Ninety-Nine Only) along with 12% p.a. from the date of order. However, the Petitioner failed to make repay even after the decree was passed. Therefore, Petitioner inter alia prayed before the Hon'ble Court to set aside the judgement dated August 1, 2016, and re-open O.S. 149/2013. The order passed under Case No. 501/218 dated November 4, 2019 prohibit the institution of suits or continuation of pending suits against the Responded. This matter is pending.

Civil appeal bearing diary no. 18135/2017 filed by (1) Mohammed Kabir and (2) Mavvaddi Ali versus (1) M/s. Ullal Fish Meal and Oil Co. Proprietor; (2) M/s. Mangalore Fish Meal and Oil Co. Proprietor; (3) M/s. Haris Marina Products Proprietor and 22 others before The Hon'ble Supreme Court of India.

This matter arose out of the impugned final judgement dated July 08, 2016 passed in matter bearing APP No. 261/2014 passed by the National Green Tribunal, Southern Zone at Chennai. The Hon'ble Supreme Court of India vide order dated September 01, 2017 admitted the abovementioned appeal and ordered the matter to be heard along with Civil Appeal bearing no. 8321 of 2016. Based on the information available in the public domain, Haris Marine Products Private Limited is a party to the above proceeding. However, Haris Marine Products Private Limited does not have all the papers and proceedings concerning the above litigation.

Mangalore Fish Meal and Oil Company

Matter bearing no. C.C./5734/2019 filed by N.Prashanth Pai against Mangalore Fish Meal before the Judicial Magistrate First Class IV Court, Mangalore

Based on the information available in the public domain, Mangalore Fish Meal and Oil Company is a party to the above proceeding. However, Mangalore Fish Meal does not have any papers and proceedings concerning the above litigation.

Matter bearing no. C.A. No. 011156 - 011156/2017 filed by (1) Shri Mohammed Kabir and (2) Shri Mayyaddi Ali against (1) Ullal Fish Meal and Oil Company, Proprietor; (2) Mangalore Fish Meal and Oil Company, Proprietor; (3) United Marine Products and (4) Mangalore Sea Products Proprietor before the Hon'ble Supreme Court of India

Based on the information available in the public domain, Mangalore Fish Meal and Oil Company is a party to the above proceeding. However, Mangalore Fish Meal does not have any papers and proceedings concerning the above litigation.

Civil appeal bearing diary no. 18135/2017 filed by (1) Mohammed Kabir and (2) Mayyaddi Ali versus (1) M/s. Ullal Fish Meal and Oil Co. Proprietor; (2) M/s. Mangalore Fish Meal and Oil Co. Proprietor; (3) M/s. Haris Marina Products Proprietor and 22 others before The Hon'ble Supreme Court of India.

This matter arose out of the impugned final judgement dated July 08, 2016 passed in matter bearing APP No. 261/2014 passed by the National Green Tribunal, Southern Zone at Chennai. The Hon'ble Supreme Court of India vide order dated September 01, 2017 admitted the abovementioned appeal and ordered the matter to be heard along with Civil Appeal bearing no. 8321 of 2016. Pursuant to the directions issued by National Green Tribunal ("NGT") dated June 28, 2015 the Karnataka State Pollution Control Board ("KSPCB") issued notices to close the operation of the Petitioners Units for alleged non-compliance. Vide an order dated September 2, 2016 the Hon'ble Court ordered the resumption of land or removal/closure of the units to be stayed. Based on the information available in the public domain, Mangalore Fish Meal and Oil Company is a party to the above proceeding. However, Mangalore Fish Meal does not have all the papers and proceedings concerning the above litigation.

Ullal Fish Meal and Oil Company

Matter bearing no. C.A. No. 011156 - 011156/2017 filed by (1) Shri Mohammed Kabir and (2) Shri Mayyaddi Ali against (1) Ullal Fish Meal and Oil Company, Proprietor; (2) Mangalore Fish Meal and Oil Company, Proprietor; (3) United Marine Products and (4) Mangalore Sea Products Proprietor before the Hon'ble Supreme Court of India

Based on the information available in the public domain, Ullal Fish Meal and Oil Company is a party to the above proceeding. However, Ullal Fish Meal and Oil Company does not have any papers and proceedings concerning the above litigation.

Civil appeal bearing diary no. 18135/2017 filed by (1) Mohammed Kabir and (2) Mayyaddi Ali versus (1) M/s. Ullal Fish Meal and Oil Co. Proprietor; (2) M/s. Mangalore Fish Meal and Oil Co. Proprietor; (3) M/s. Haris Marina Products Proprietor and 22 others before The Hon'ble Supreme Court Of India.

This matter arose out of the impugned final judgement dated July 08, 2016 passed in matter bearing APP No. 261/2014 passed by the National Green Tribunal, Southern Zone at Chennai. The Hon'ble Supreme Court of India vide order dated September 01, 2017 admitted the abovementioned appeal and ordered the matter to be heard along with Civil Appeal bearing no. 8321 of 2016. Based on the information available in the public domain, Ullal Fish Meal and Oil Company is a party to the above proceeding. However, Ullal Fish Meal and Oil Company does not have all the papers concerning the above litigation.

B. LITIGATIONS FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Haris Marine Private Limited

Case No. 501/9/HBD/2018 filed by Haris Marine Products (“Petitioner”) against Nexus Feeds Limited (“Respondent”) in the court of National Company Law Tribunal, Hyderabad (the “Hon’ble Tribunal”).

The Petitioner had obtained a decree dated August 1, 2016 from the III Additional Senior Civil Judge, Mangaluru (“*Hon’ble Court*”), ordering Respondent to pay a sum of ₹20,27,799/- (Rupees Twenty Lakhs Twenty-Seven Thousand Seven Hundred Ninety-Nine Only) along with 12% p.a. from October 3, 2013. The Respondent prayed before the Hon’ble Court to set aside the judgement dated August 1, 2016, and re-open O.S. 149/2013. No appeal was filed by the Respondent till the initiation of Case No. 501/9/HBD/2018 by the Petitioner. The Petitioner had requested the Hon’ble Tribunal to appoint an Insolvency Resolution Professional for the period of July 1, 2019 to December 31, 2019. The Hon’ble Tribunal appointed an Insolvency Resolution Professional. The Hon’ble Tribunal admitted the Petition and declared moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016 which became effective from November 04, 2019 till completion of the Corporate Insolvency Resolution Process with the following conditions- (i) prohibit the institution of suits or continuation of pending suits against the Petitioner, (ii) supply of essential goods or services to the Respondent shall not be terminated during the moratorium period, (iii) The order of moratorium shall have effect from November 4, 2019 till the date of complete of the insolvency resolution process, (iv) The Petitioner to pay a sum of ₹2,00,000/- (Rupees Two Lakhs Only) to interim resolution professional to meet the expenses to perform the functions assigned to him.

Civil Appeal No. 8321/ 2016 filed by (i) Ullal Fish Meal And Oil Company, (ii) Mangaluru Fish Meal And Oil Company and (iii) Haris Marina Products and 12 others (“Petitioners”) against (i) Mohammed Kabir, (ii) Imthiyaz, (iii) Mayyaddi Ali, (iv) The Union Of India, (v) Principal Secretary Department of Forests, Ecology and Environment, Govt. Of Karnataka, (vi) Principal Secretary Department of Public Works, Ports and Inland Water Transport (Ports) (vii) Karnataka Pollution Control Board, (viii) Deputy Commissioner and Chairman of the District Coastal Zone Management Committee, (x) Ullal Town Municipal Council, (xi) Karnataka State Coastal Zone Management Authority, Department of Forest, and (xii) Blueline Foods India Pvt Ltd. (“Respondents”) before the Supreme Court (“Hon’ble Court”).

Pursuant to the directions issued by National Green Tribunal (“NGT”) dated June 28, 2015 the Karnataka State Pollution Control Board (“KSPCB”) issued notices to close the operation of the Petitioners Units for alleged non-compliance. Vide an order dated September 2, 2016 the Hon’ble Court ordered the resumption of land or removal/closure of the units to be stayed. Based on the information available in the public domain, Haris Marine Products Private Limited is a party to the above proceeding. However, Haris Marine Products Private Limited does not have all the papers and proceedings concerning the above litigation.

Mangalore Fish Meal

Matter bearing no. C.A. No. 008321 - 008321/2016 filed by (1) M/s. Ullal Fish Meal and Oil Company; (2) M/s. Mangaluru Fish Meal and Oil Company and (3) M/s. United Marine Products against (1) Mohammed Kabir; (2) Imthiyaz; (3) R-1 To 3; (4) Mayyaddi Ali; (5) R-4; (6) The Union of India Through Secretary; (7) The State of Karnataka State of Karnataka; (8) Principal Secretary Department of Forests; (9) Ecology and Environment; (10) Government of Karnataka and (11) Principal Secretary Department Of Public Works before the Hon’ble Supreme Court of India

Based on the information available in the public domain, Ullal Fish Meal and Oil Company is a party to the above proceeding. However, Ullal Fish Meal and Oil Company does not have any papers and proceedings concerning the above litigation.

Civil Appeal No. 8321/ 2016 filed by (i) Ullal Fish Meal and Oil Company, (ii) Mangaluru Fish Meal And Oil Company and (iii) Haris Marina Products and 12 others("Petitioners") against (i) Mohammed Kabir, (ii)Imthiyaz, (iii)Mayvaddi Ali, (iv) The Union Of India, (v) Principal Secretary Department of Forests, Ecology and Environment, Govt. Of Karnataka, (vi) Principal Secretary Department of Public Works, Ports and Inland Water Transport (Ports) (vii) Karnataka Pollution Control Board, (viii)Deputy Commissioner and Chairman of the District Coastal Zone Management Committee, (x) Ullal Town Municipal Council, (xi) Karnataka State Coastal Zone Management Authority, Department of Forest, and (xii) Blueline Foods India Pvt Ltd. ("Respondents") before the Supreme Court ("Hon'ble Court")

Pursuant to the directions issued by National Green Tribunal ("NGT") dated June 28, 2015 the Karnataka State Pollution Control Board ("KSPCB") issued notices to close the operation of the Petitioners Units for alleged non-compliance. Vide an order dated September 2, 2016 the Hon'ble Court ordered the resumption of land or removal/closure of the units to be stayed. Based on the information available in the public domain, Mangalore Fish Meal and Oil Company is a party to the above proceeding. However, Mangalore Fish Meal does not have all the papers and proceedings concerning the above litigation.

Ullal Fish Meal and Oil Company

Matter bearing no. C.A. No. 008321 - 008321/2016 filed by (1) M/s. Ullal Fish Meal and Oil Company; (2) M/s. Mangaluru Fish Meal and Oil Company and (3) M/s. United Marine Products against (1) Mohammed Kabir; (2) Imthiyaz; (3) R-1 To 3; (4) Mayvaddi Ali; (5) R-4; (6) The Union of India Through Secretary; (7) The State of Karnataka State of Karnataka; (8) Principal Secretary Department of Forests; (9) Ecology and Environment; (10) Government of Karnataka and (11) Principal Secretary Department Of Public Works before the Hon'ble Supreme Court of India

Based on the information available in the public domain, Mangalore Fish Meal is a party to the above proceeding. However, Mangalore Fish Meal does not have any papers and proceedings concerning the above litigation.

Civil Appeal No. 8321/ 2016 filed by (i) Ullal Fish Meal And Oil Company, (ii) Mangaluru Fish Meal And Oil Company and (iii) Haris Marina Products and 12 others("Petitioners") against (i) Mohammed Kabir, (ii)Imthiyaz, (iii).Mayvaddi Ali, (iv) The Union Of India, (v) Principal Secretary Department of Forests, Ecology and Environment, Govt. Of Karnataka, (vi) Principal Secretary Department of Public Works, Ports and Inland Water Transport (Ports) (vii) Karnataka Pollution Control Board, (viii)Deputy Commissioner and Chairman of the District Coastal Zone Management Committee, (x) Ullal Town Municipal Council, (xi) Karnataka State Coastal Zone Management Authority, Department of Forest, and (xii) Blueline Foods India Pvt Ltd. ("Respondents") before the Supreme Court ("Hon'ble Court")

Pursuant to the directions issued by National Green Tribunal ("NGT") dated June 28, 2015 the Karnataka State Pollution Control Board ("KSPCB") issued notices to close the operation of the Petitioners Units for alleged non-compliance. Vide an order dated September 2, 2016 the Hon'ble Court ordered the resumption of land or removal/closure of the units to be stayed. Based on the information available in the public domain, Ullal Fish Meal and Oil Company is a party to the above proceeding. However, Ullal Fish Meal and Oil Company does not have all the papers concerning the above litigation.

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

Haris Marine Products Private Limited

Original Suit No. 149/2013 filed by HMPPL ("Plaintiff") against Nexus Feeds Limited("Defendant") before the III Additional Senior Civil Judge, Mangalore.

The Plaintiff had filed a suit bearing O.S No. 149/2013 before the III Additional Senior Civil Judge at Mangalore, seeking a recovery of ₹20,27,799/- (Rupees Twenty Lakhs Twenty-Seven Thousand Seven Hundred and Ninety-Nine

Only) against the Defendant which came to be decreed in favour of the Plaintiff vide Order dated August 01, 2016. The Defendant placed numerous purchase orders with the Plaintiff for the purchase of fish oil since November 2011, and was indebted to the Plaintiff for a sum of ₹20,27,799/- (Rupees Twenty Lakhs Twenty-Seven Thousand Seven Hundred and Ninety-Nine Only) and is also liable to pay interest thereon at 18% (eighteen) per annum from the date the said debt became due. However, the Hon'ble Court vide order dated August 01, 2016, passed an order and decree directing the Defendant to (i) pay a sum of ₹20,27,799/- (Rupees Twenty Lakhs Twenty-Seven Thousand Seven Hundred and Ninety-Nine Only) along with an interest at the rate of 12% (twelve) p.a. from the date of order to the date of realisation, and (ii) pay a sum of ₹1,32,876/- (Rupees One Lakh Thirty-Two Thousand Eight Hundred Seventy-Six Only) to the Plaintiff towards the cost of the suit. The matter is still pending.

Original Suit 306 of 2017 filed by HMMPL (“Plaintiff”) against Amrit Feeds Limited (“Defendant”) before the Court of Senior Civil Judge and CJM Court at Mangalore.

The Defendant was a purchaser of fish meal from the Plaintiff for the past 3 (three) years and had been inconsistent and irregular with payment of goods supplied. On September 28, 2015 the Defendant placed a purchase order worth ₹ 22,40,000/- (Rupees Twenty-Two Lakhs and Forty Thousand Only). Unfortunately, despite several reminders and follow up to the Plaintiff got no response from the Defendant. On refusal to make payments to the Plaintiff due to the alleged quality issue raised for the goods, the Plaintiff issued a Statutory notice dated June 14, 2016 under Section 434(a) read with 433(e) of the Companies Act, 1956. The Defendant is liable for a sum of ₹ 22,40,000/- (Rupees Twenty-Two Lakhs Forty Thousand Only) along with 18% (eighteen) interest on the outstanding amount. Therefore, the plaintiff *inter-alia* praying the Hon'ble Court to pass a judgement and decree directing the Defendant to pay a sum of 22,40,000/- (Rupees Twenty-Two Lakhs Forty Thousand Only) with 18%(eighteen) interest from the date of the suit till realisation. The matter as per the Notification No. ADMN/1089/2020 dated January 21, 2020 of the Hon'ble Principal District Judge, D.K. is transferred to the Hon'ble Principal District and Sessions Court, D.K. The matter is pending.

A Civil Appeal No. 4139/2020 was filed by HMPPL (“Appellant”) against Export Guarantee Corporation Limited (“the Respondent”) before the Hon'ble Supreme Court of India (“the Hon'ble Supreme Court”).

The Appellant had obtained a Single Buyer Exposure Policy (SBE Policy) from the Respondent covering export credit risk against Ateneo and Associates PTE Limited Singapore. The Respondent refused to honour the claim of ₹ 245.48 lakhs made by the Company due to alleged discrepancy regarding the date of shipment being before the date of policy coming in force. The Appellant had filed a Complaint No. 1546 of 2016 before the National Consumer Disputes Redressal Commission, New Delhi (“**the National Commission**”) alleging deficiency of service on the part of the Respondent for dismissing the insurance claim of the Appellant. The National Commission vide its order dated 13 July, 2020 held that the export in question is not covered under the policy, and dismissed the Complaint. The Appellant has therefore, filed this Civil Appeal No. 4139 of 2020 before the Hon'ble Supreme Court seeking directions from the Hon'ble Supreme Court to set aside the said order dated 13 July, 2020 passed by the National Commission and direct the Respondent to pay the claim amount to the Appellant. The matter is pending.

LITIGATIONS INVOLVING DIRECTORS

A. LITIGATION FILED AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities
Kalandan Mohammed Althaf

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable (₹)	Stage
1.	Customs for the period September 2014 to October 2015	1	₹ 9,00,000/- (Rupees Nine Lakhs Only)	Commissioner of Customs and Excise

Kalandan Mohammed Haris

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable (₹)	Stage
1.	Customs for the period September 2014 to October 2015	1	₹ 12, 00,000/- (Rupees Twelve Lakhs Only)	Commissioner of Customs and Excise

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY OUR DIRECTORS
1. Litigation Involving Criminal Matters
Kalandan Mohammed Althaf
Case No. CC/839/2016 was filed by Mr. Mohammed Althaf (“Complainant”) against Mr. Ashraf (“Accused”) before the J.M.F.C., V Court, Mangalore.

A demand notice dated May 18, 2016 was issued by the Complainant to the Accused under Section 138 of Negotiable Instruments Act, 1881 (“N.I. Act”), which stated that the Complainant had agreed to lend a sum of ₹ 8,00,000/- (Rupees Eight Lakhs) in cash after being constantly persuaded by the Accused. The repayment of the sum was done by the Accused by paying ₹ 5,00,000/- (Rupees Five Lakhs Only) in cash and the remaining amount was paid through a cheque dated March 28, 2016 of ₹ 3,00,000/- (Rupees Three Lakhs) drawn on bank (“Bank”), However, the said cheque was returned by the Bank on account of insufficient funds and thereby, a demand notice dated May 18, 2016 issued to the Accused to repay the aforementioned amount within 15 days of the receipt of the notice, failing which proceedings against him under Section 138 of the N.I. Act would be initiated. A Memorandum of Complaint under Section 200 of the Code of Criminal Procedure, 1973 (“CrPC”) was filed by the Complainant before the V Judicial Magistrate of First Class, Managalore (“Hon’ble Court”) praying inter alia before the Hon’ble Court to take cognizance of Section 138 of the N.I. Act. An order dated January 11, 2017 was passed by the Hon’ble Court allowing the bail application filed under Section 436 of CrPC subject to paying a personal bond of ₹ 30,000/- , (Rupees Thirty Thousand Only) cash surety of ₹ 3,000/- (Rupees Three Thousand Only) and co-operating by regularly appearing before the Court. Further, another Order dated June 28, 2019 was passed by the JMFC (V Court), Mangaluru, allowing the application filed by the Complainant under Section 91 of CrPC. The matter is currently pending.

Criminal Complaint bearing No. P.C.R./171/2016 filed by Mr. Mohammed Althaf (“Complainant”) against Ashraf (“Accused”) before the JMFC V Court, Dakshina Kannad, Mangaluru (“Hon’ble Court”).

The Accused is engaged in the business of importing and selling cashews in India and was looking for investments in the said business and thus contacted the Complainant. The Complainant lent a sum of ₹ 8,00,000/- (Rupees Eight Lakhs Only) via cheque on February 8, 2016 to the Accused with a bonafide belief that it would be returned by the

Accused within a month. On February 22, 2016 the Accused returned the amount of ₹5,00,000/- (Rupees Five Lakhs Only) and replaced it with a cheque dated March 28, 2016 of ₹ 3,00,000/- (Rupees Three Lakhs Only). But on May 17, 2016 the cheque was returned due to insufficient funds in Accused's account. Complainant issued a notice of demand dated May 18, 2016 under Section 138 of the Negotiable Instruments Act, 1881 ("N.I. Act") to the Accused calling upon him to repay the pending due of ₹ 3,00,000/- (Rupees Three Lakhs Only) since the cheque dated March 28, 2016 not cleared and returned dated May 17, 2016 due to there being insufficient funds in his account. Subsequently, the Complainant presented a complaint before the Hon'ble Court, dated July 04, 2016 praying that (i) to take cognizance against the Accused for the offence punishable under Section 138 of the N.I. Act and (ii) to pass such order as the Court deemed fit, in the JMFC V Court, Mangaluru ("Hon'ble Court"). The Complaint was presented under Section 200 of the Code of Criminal Procedure, 1973 ("Cr.P.C") read with Section 142 of the N.I. Act. Subsequently, via order dated September 08, 2016 the Court acted under Section 190(1)(a) of the Cr.P.C read with Section 142 of the N.I. Act inter alia taking cognizance of the aforementioned complaint. Subsequently, the Accused was exempted from appearing for hearing dated January 11, 2017 through application under Section 205 of the Cr.P.C. Further, the bail application under Section 436 of the Cr.P.C was allowed subject to the following conditions (i) execution personal bond for ₹ 30,000/- (ii) deposit of cash surety of ₹ 3,000 (iii) regular appearance before the Court on each and every hearing date and cooperation for speedy trial via order dated January 11, 2017. Further, the Accused had not pleaded guilty to the alleged offence and therefore, the Hon'ble Court acted under Section 143 of the N.I. Act ordering the case to be tried as a summons case as per Chapter XX of the Cr.P.C via order dated January 11, 2017. Thereafter, the matter was listed but only one or none of the parties were present for the subsequent hearings. The Court vide an Order dated March 28, 2019 allowed the Complainant to file an application under Section 91 of the Cr.P.C. dated September 18, 2017. Subsequently, the Accused filed an application under Section 70 (2) of the Cr.P.C for the recalling of non-bailable warrant which was allowed by the Hon'ble Court via order dated March 03, 2020. Both the parties were not present for the subsequent hearings, following which the Complainant filed an application under Section 311 of the Cr.P.C for the cross examination of PW-1 which was allowed by the Hon'ble Court via Order dated February 16, 2022. Thereafter, the Accused filed bail application dated January 11, 2017 under Section 436 of the Cr.P.C along with an application under Section 445 of the Cr.P.C praying to permit the Accused to deposit cash security since he was unable to get a surety as earlier instructed by the Hon'ble Court. The Accused also filed an application dated June 4, 2019 under Section 70(2) of the Cr.P.C for the recall of non-bailable warrant. Vide Order dated March 03, 2020, the Court allowed the recall of non-bailable warrant on penalty of ₹ 200/- (Rupees Two Hundred Only), and permitted the bail application filed under Section 436 of the Cr. P. C. on the following conditions: (i) Accused shall execute a personal bond for ₹ 30,000/- (Rupees Thirty Thousand Only), (ii) Accused shall deposit a cash surety of ₹ 3,000/- (Rupees Three Thousand Only), and (iii) Accused shall regularly appear before the Hon'ble Court and co-operate for speedy trial. Both the parties were not present for the subsequent hearings. The matter was adjourned due to Covid-19 on June 15, 2021. The matter is currently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATIONS INVOLVING PROMOTERS

A. LITIGATION FILED AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

Kalandan Mohammed Althaf

Please refer to the Section titled 'Litigations filed against our Promoters – **Litigation/Matters involving Tax Liabilities point (b) Indirect Tax Liabilities**

Kalandan Mohammed Haris

Please refer to the Section titled 'Litigations filed against our Promoters – **Litigation/Matters involving Tax Liabilities point (b) Indirect Tax Liabilities**

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Matters

Kalandan Mohammed Althaf

Please refer to the Section titled 'Litigations filed by our Promoters – **Litigation/Matters involving Criminal Matters**

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

A. LITIGATION FILED AGAINST OUR GROUP COMPANIES

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATIONS FILED BY OUR GROUP COMPANIES

1. Litigation Involving Criminal Matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

Bismi Fisheries Private Limited

Writ Miscellaneous Petition bearing no. 22596/2019 filed by Bismi Fisheries and 3 others versus (1) Union of India; (2) Central Board of Indirect Taxes and (3) The Commissioner of GST and Central Excise before the Hon'ble High Court of Madras.

Based on the information available in the public domain, Bismi Fisheries Private Limited is a party to the above proceeding. However, Bismi Fisheries Private Limited does not have any papers and proceedings concerning the above litigation.

Writ Miscellaneous Petition bearing no. 22952/2019 filed by Bismi Fisheries and 8 others versus (1) Union of India; (2) The Commissioner of GST and Central Excise and (3) Central Board of Indirect Taxes before the Hon'ble High Court of Madras.

Based on the information available in the public domain, Bismi Fisheries Private Limited is a party to the above proceeding. However, Bismi Fisheries Private Limited does not have any papers and proceedings concerning the above litigation.

3. Litigation/Matters involving Tax Liabilities

a. Direct Tax Liabilities

NIL

b. Indirect Tax Liabilities

NIL

4. Other Pending Litigations

Case No. 3237/SS/2019 filed by Shipwaves (“Complainant”) against (i)Juhi Maritime, (ii) Mr. Talha Murshedkar, Mr. Suddique Shaikh and (iii) Juhi Maritime Cargo and Logistics Service (“Accused”) before the Metropolitan Magistrate (Hon’ble Court).

The Complainant had arranged for three shipments on Accused’s request from Jawaharlal Nehru Port to Jabeli Ali Port on October 26, 2018, November 7, 2018 and November 23, 2018, for this the Complainant had raised an invoice worth ₹ 3,38,567.09/- (Rupees Three Lakhs Thirty-Eight Thousand Five Hundred Sixty-Seven Only). The Accused had issued 3 cheques worth ₹ 74, 510/- (Rupees Seventy-Four Thousand Five Hundred Ten Only), ₹ 1,83,739/- (Rupees One Lakh Eighty-Three Thousand Seven Hundred Thirty-Nine Only), and ₹ 73,548.5 (Rupees Seventy-Three Thousand Five Hundred Forty-Eight Only) on May 6, 2019. The Complainant deposited the cheque on May 6, 2019 for encashment which was subsequently dishonoured due to lack of funds in the Accused’s account. On June 11, 2019 the Complainant issued a demand notice to the Accused for payment of ₹ 3,38,567.09/- (Rupees Three Lakhs Thirty-Eight Thousand Five Hundred Sixty-Seven Only). On failure of the Accused to repay the amount payment the Complainant filed the case no. 3237 of 2019 before the Hon’ble Court. The Complainant prays that appropriate actions be taken against the Accused under Section 138 read with Section 141 of the Negotiable Instrument Act, 1811. This matter is still pending

Disciplinary action against our Company, Subsidiaries and Promoters by SEBI or any stock exchange in the last five Financial Years

As on the date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last five Financial Years including any outstanding action:

Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as per Standalone Audited Balance Sheet of the Company.

As of September 30, 2021, there was outstanding dues to the tune of ₹ 296.07 million, out of which ₹ 56.87 million was due to micro, small and medium enterprises creditors as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Material Creditors of the Company having amount outstanding as on September 30, 2021 exceeding 1% of the revenue of the Company as per the Standalone Audited Balance Sheet of the Company.

As of September 30, 2021, we had outstanding creditors amounting to ₹ 296.07 million, out of which 1 (one) creditor having outstanding amount of ₹ 56.24 million is material as per Materiality Policy.

For further details, please see website at www.mukkaproteins.com

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, would be doing so at its own risk.

Material developments occurring after last balance sheet date

Except as disclosed elsewhere in this Draft Red Herring Prospectus and in the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 269, there have been no material developments since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these material approvals, our Company can undertake the Offer, and our Company can undertake its business activities. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such material approvals or is in the process of making such renewal applications. In relation to the business activities and operations of our Company we have disclosed below the material approvals applied for but not received. For details in connection with the applicable regulatory and legal framework within which we operate, see Section “Key Regulations and Policies” on page 175.

• APPROVALS IN RELATION TO THE OFFER

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 297.

• INCORPORATION DETAILS OF OUR COMPANY

- Certificate of Incorporation dated November 4, 2010 issued by the Registrar of Companies, Karnataka in the name of “Mukka Sea Food Industries Private Limited”.
- Fresh Certificate of Incorporation consequent upon change of name from “Mukka Sea Food Industries Private Limited” to “Mukka Sea Food Industries Limited” was issued on December 2, 2019 by the Registrar of Companies, Bangalore.
- Fresh Certificate of Incorporation consequent upon change of name from “Mukka Sea Food Industries Private Limited” to “Mukka Proteins Limited” was issued on August 6, 2021 by the Registrar of Companies, Bangalore.

• TAX RELATED APPROVALS

• General Approvals:


- Permanent Account Number AAGCM8310E, issued by the Income Tax Department, Government of India.
- Tax Deduction Account Number BLRM17034D, issued by the Income Tax Department, Government of India.
- The Import Export code is 0705019951, issued by the Ministry of Commerce and Industry, Govt. of India.
- Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Karnataka and Gujarat.
- Professional tax registration in the state of Karnataka.


• Approvals in relation to our manufacturing facilities:

- **Manufacturing unit situated at Plot No. 139 (A2) Industrial area, Baikampady, Mangalore, DK 575 011.**
 - Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Karnataka.
- **Manufacturing unit situated at Sasihithlu Road, Mukka, Mangalore, Dakshina Kannada- 575201.**
 - Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Karnataka.
- **Manufacturing unit situated at Plot No. 140/C (P) Industrial Area Baikampady, Mangalore, D.K. 575011.**
 - Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Karnataka.

- **Manufacturing unit situated at Plot No. 58, Javarnaka, Javar, Porbandar- 360575.**
 - Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Gujarat.
- **Manufacturing unit situated at Survey No. 222P, Plot No. 2, 3, S.R. No.:- 85 P, Plot No.:- 2, Industrial Area, Mitiyala, Jafrabad, Amreli-364522.**
 - Our Company has obtained Certificate of Registration issued under the provisions of Central Goods and Service Tax Act, 2017 in the state of Gujarat.
- **LABOUR RELATED APPROVALS**
- **General Approvals:**
Our Company has obtained registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948.
- **MATERIAL APPROVALS IN RELATION TO OUR BUSINESS**
- **General Approvals:**
 - Trade license under Karnataka Municipal Corporations Act, 1976;
 - Registered license issued by People's Republic of China;
 - Udyam Registration Certificate;
 - Lifts Escalator and Passenger Conveyer Rules, 2015;
 - Certificate of membership of Visvesvaraya Trade Promotion Centre issued under Department of Industries & Commerce;
 - No objection granted to the Company by Reserve Bank of India for export of good on lease Foreign Exchange Management Act 1999;
 - No Objection Certificate CRZ (Costal Regulation Zone) clearance for modernisation of the effluent treatment system without expansion in the production level issued by Forest Environment and Biological Department, Mangalore;
 - No Objection Certificate granted by Export Inspection Agency – Mumbai, Ministry of Commerce & Industry to the Company to run merchant export plant;
- **Approvals in relation to our manufacturing facilities:**
 - ***In order to operate our manufacturing facility at unit situated at Plot No. 139 (A2) Industrial area, Baikampady, Mangalore, DK 575 011, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses include licenses under:***
 - License for running a factory under the Factories Act, 1948;
 - Trade licenses under Karnataka Municipal Corporations Act, 1976;
 - ***In order to operate our manufacturing facility at unit situated at Sasihithlu Road, Mukka, Mangalore, Dakshina Kannada- 575201, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses include licenses under:***
 - License for running a factory under the Factories Act, 1948;
 - Certificate for use of boiler under the Boilers Act, 1923;
 - Trade licenses under Karnataka Municipal Corporations Act, 1976;
 - Certificate of approval to handle fish and fishery products under the Export of Fresh, Frozen and Processed Fish and Fishery Products (Quality Control, Inspection and Monitoring) Rules, 1995;

- Registration of storage premise and exporter under Marine Products Export Development Authority Act, 1972;
- Certificate of verification issued under the Karnataka Legal Metrology (Enforcement) Rules, 2011;
- No Objection Certificate CRZ (Costal Regulation Zone) clearance for modernisation of the effluent treatment system without expansion in the production level under the notification of Coastal Regulation Zone Notification Ministry of Environment and Forests bearing no.O.19(E).
- ***In order to operate our manufacturing facility at unit situated at Plot No. 140/C (P) Industrial Area Baikampady, Mangalore, D.K. 575011, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses include licenses under:***
 - License for running a factory under the Factories Act, 1940;
 - Certificate of verification issued under the Karnataka Legal Metrology (Enforcement) Rules, 2011;
 - Trade licenses under Karnataka Municipal Corporations Act, 1976.
- ***In order to operate our manufacturing facility at unit situated at Plot No. 58, Javarnaka, Javar, Porbandar-360575, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses include licenses under:***
 - No Objection Certificate (Trade License) granted to the Company to run merchant export plant.
- ***In order to operate our manufacturing facility at unit situated at Survey No. 222P, Plot No. 2, 3, S.R. No.: - 85P, Plot No.: - 2, Industrial Area, Mitiyala, Jafrabad, Amreli-364522, our Company requires various approvals and/or licenses under various state and central laws, rules and regulations. These approvals and/or licenses include licenses under:***
 - No Objection Certificate (Trade License) granted to the Company to run processing fish meal unit.
- **QUALITY CERTIFICATIONS**
- **General Approvals:**
 - Certificate of Recognition, Three Star Export House bearing Certificate No.070320000135 dated June 22, 2020 in accordance with the provisions of the Foreign Trade Policy for the period of 5 five years by the Joint Director General of Foreign Trade. The said certificate of recognition is valid up to March 19, 2025.
 - Membership Certificate certifying the Company as a Producer Member of IFFO since October 25, 2011 issued by the Director General, Marine Ingredients Organisation. The said certificate is valid up to December 31, 2022.
 - Certificate of Registration reissued on January 04, 2022 bearing Certificate No. 50503 issued by NQA, UKAS Management Systems for manufacture of Steam dried Fish-meal and Fish Soluble Paste for the use as feed ingredient; Crude Fish-oil for Industrial use has been assessed and registered by NQA against the provisions of HACCP (Hazard Analysis and Critical Control Points) adopted by the CODEX Alimentarius Commission.
 - Certificate of Recognition, Three Star Export House bearing Certificate No.070320000135 dated June 22, 2020 in accordance with the provisions of the Foreign Trade Policy for the period of 5 five years by the Joint Director General of Foreign Trade. The said certificate of recognition is valid up to March 19, 2025.
 - Certificate of Registration reissued on January 04, 2022 bearing Certificate No. 50503 issued by NQA, UKAS Management Systems for manufacture of Steam dried Fish-meal and Fish Soluble Paste for the use as feed ingredient; Crude Fish-oil for Industrial use has been assessed and registered by NQA against the provisions of HACCP (Hazard Analysis and Critical Control Points) adopted by the CODEX Alimentarius Commission.
 - Certificate of ISO 9001:2015 dated December 12, 2011 bearing No. 27871, issued by NQA, UKAS Management Systems the Company for manufacture, supply and export of steam dried fish meal, fish oil and soluble paste its works at:

- Certificate of ISO 22000:2018 dated December 12, 2011 bearing No. 600185, issued by NQA, UKAS Management Systems for manufacture of steam dried fish meal and fish soluble paste for the use as feed ingredient; cruse fish-oil for industrial use.
- **Approvals in relation to our manufacturing facilities:**
 - **Manufacturing unit situated at Sasihithlu Road, Mukka, Mangalore, Dakshina Kannada- 575201:**
 - Halal Registration Certificate bearing no. JUHHT/2018/12/438 dated August 30, 2021 issued by Jamiat Ulama-i-Hind Halal Trust for the premises located at D. No. 14-161, Sasihithlu Road, Mukka, Surathkal, Mangalore- 575021, Karnataka, India for Fish Meal (not fit for human consumption), Fish Soluble Paste (not fit for human consumption), and Fish Oil. The said certificate is valid up to December 10, 2023.
 - Certificate of Registration reissued on January 04, 2022 bearing Certificate No. 50503 issued by NQA, UKAS Management Systems for manufacture of Steam dried Fish-meal and Fish Soluble Paste for the use as feed ingredient; Crude Fish-oil for Industrial use has been assessed and registered by NQA against the provisions of HACCP (Hazard Analysis and Critical Control Points) adopted by the CODEX Alimentarius Commission.
 - Certificate of ISO 9001:2015 dated December 12, 2011 bearing No. 27871, issued by NQA, UKAS Management Systems the Company for manufacture, supply and export of steam dried fish meal, fish oil and soluble paste.
 - Certificate of ISO 22000:2018 dated December 12, 2011 bearing No. 600185, issued by NQA, UKAS Management Systems for manufacture of steam dried fish meal and fish soluble paste for the use as feed ingredient; cruse fish-oil for industrial use for the premises at:
 - Process certificate no. IN20/818843907 bearing GMP+ International no.: GMP011836 and SGS No: CI000031 issued by SGS Nederland B.V. for complying with the applicable requirements and conditions and standards of GMP+FC Scheme (based on GMP+C6) of GMP+ International: GMP + B2 Production of Feed Ingredients in manufacturing and supply of fish oil and fish meal and process of production of feed materials for its works at Door Nos 14-161 to 164, Sasihithlu Road Mukka, Mangalore 575021, Karnataka, India. This Certificate is valid up to October 25, 2024.
- **MATERIAL ENVIRONMENT RELATED APPROVALS**
- **Approvals in relation to our manufacturing facility:**
 - **Manufacturing unit situated at Sasihithlu Road, Mukka, Mangalore, Dakshina Kannada- 575201.** Combined Consent for discharge of effluents under Water (Prevention and Control of Pollution) Act, 1974 and emission under Air (Prevention and Control of Pollution) Act, 1981 and the Rules and Orders
- **INTELLECTUAL PROPERTY RELATED APPROVALS**
- **Approval obtained by the Company**
 - The Company has registered its trademark  in class no. 29 under the Trademarks Act, 1999.
- **PENDING APPROVALS**
- **General**
 - Company has applied for registration certificate issued under Karnataka Shops and Commercial Establishments Act, 1961 to Mukka Sea Food Industries for premises at 18-2-16/4, Mukka Corporate House, N G Road 1st Cross, Mangalore Central Railway Station, Attavara, Mangalore, 575001.
 - Company has applied for renewal of the registration certificate under Karnataka Shops and Commercial Establishments Act, 1961 for the premise situated at 18-2-16/4, Mukka Corporate House, N. G. Road, 1st Cross, Attavara, Mangalore, 575001.
 - Company has applied for registration of trademark for “Mukka Proteins Limited” bearing no. 520709 dated November 09, 2021.

- As on the date of this Draft Red Herring Prospectus, an application for registration of the trade mark “  Mukka Proteins Limited ” was made by the Promoter Kalandan Mohammed Haris (“Original Applicant”). Subsequently, the Company has filed FORM-TM before the Registrar of Trademark dated March 01, 2022 to amend the application for registering the trade mark by citing a clerical error in the application thereto. The filed Form TM-M to enter the Company’s name as the proprietor of the trade mark instead of the Original Applicant. The application is presently objected under Section 11(1) of the Trade Mark Act,1999 before the Registrar of Trade Marks. The Company has filed a response/reply dated December 21,2021 to the examination report dated December 09, 2021 within 1(one) month of the date of receipt of this examination report.
- **Approvals in relation to our manufacturing facilities:**
 - **Manufacturing unit situated at Plot No. 139 (A2) Industrial area, Baikampady, Mangalore, DK 575 011.**
Company has applied for registration certificate under Karnataka Shops and Commercial Establishments Act, 1961 for the premise situated at Plot No. 139 (A2), Baikampady, Baikampady Industrial Area, Mangalore, 574011.
 - **Manufacturing unit situated at Plot No. 58, Javarnaka, Javar, Porbandar- 360575.**
Company has made an application dated February 21, 2022 for permission to construct, extend or take into use any building as a factory under Factories Act, 1948 for constructing new building.) at Plot No. 58, Zavar, Porbandar- 360575.
 - **Manufacturing unit situated at Survey No. 222P, Plot No. 2, 3, S.R. No.: - 85P, Plot No.: - 2, Industrial Area, Mitiyala, Jafrabad, Amreli-364522.**
Company has made an application dated February 23, 2022 for permission to construct, extend or take into use any building as a factory under Factories Act, 1948 for constructing new building.) at Survey No. 222P, Plot No. 2, 3, S.R. No.: - 85P, Plot No.: - 2, Industrial Area, Mitiyala, Jafrabad, Amreli-364522.
- **APPLICATIONS YET TO BE MADE**
- **General**
The Company is yet to make an application to obtain certificate of registration as principal employer under Section 7 Sub-Section 2 of Contract Labour (Regulation and Abolition) Act, 1970 for all its manufacturing units.
- **Manufacturing unit situated at Sasihithlu Road, Mukka, Mangalore, Dakshina Kannada- 575201.**
The Company is yet to make an application to renew the certificate for use of Boiler, 1923 for its boiler KTK-4317

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

- The Board, pursuant to its resolution dated February 25, 2022, authorised the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) and as per the applicable provisions of the Companies Act, 2013.
- The Shareholders of our Company have, by a special resolution passed at an EGM held on February 28, 2022, approved and authorized the Issue.
- The Board has approved the Draft Red Herring Prospectus pursuant to their resolutions dated March 18, 2022.
- In-principle approval for the listing of our Equity Shares from NSE dated [●].
- In-principle approval for the listing of our Equity Shares from BSE dated [●].

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there have been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as wilful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrowers issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, member of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

- Our Company has changed its name on August 06, 2021. However, there is no change in activity and nature of the business.

Our Company's operating profit, net worth, net tangible assets and monetary assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three years ended March 31 are set forth below:

*Derived from our Restated Consolidated Financial Information:**

(₹ in million)

Sl. No.	Particulars	Financial Year ended as on		
		March 31, 2021	March 31, 2020	March 31, 2019
A.	Restated net tangible assets ⁽¹⁾	726.29	598.00	466.42
B.	Restated monetary assets ⁽²⁾	41.88	16.51	9.10
C.	% of Monetary assets to net tangible assets (B/A*100)	5.77	2.76	1.95
D.	Net Worth ⁽³⁾	665.23	565.50	439.86
E.	Restated pre-tax operating profits ⁽⁴⁾	139.08	190.97	202.39

1. 'Net tangible assets' means the sum of all the assets of Company excluding goodwill, intangible assets under development and right of use assets reduced by total liabilities excluding deferred tax liability (net) of the Company.

2. 'Restated monetary assets' means cash and cash equivalents.

3. 'Net worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits (inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS) and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

4. 'Restated pre-tax operating profit' restated consolidated profit before tax excluding other income, interest expense, other borrowing cost, applicable net loss on foreign currency transactions and translation and other comprehensive income.

The average restated operating profit of our Company for the preceding three fiscal years, i.e., March 31, 2021, March 31, 2020 and March 31, 2019, is ₹ 177.48 million.

(* as certified by Statutory Auditor of the Company, pursuant to certificate dated March 16, 2022)

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and has complied with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs FINSHORE MANAGEMENT SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM FINSHORE MANAGEMENT SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 18, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer have been complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to this Offer will be complied with at the time of filing of this Prospectus with the Registrar of Companies in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors and BRLMs

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.mukkaproteins.com or the respective websites of our Promoter Group or an affiliate of our Company would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a Section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise and the blocking of application amount by RIB bank on receipt of instruction from the Sponsor Bank on account of any error, omission or non-compliance by various parties involved in, or any fault, malfunctioning or break-down in, or otherwise, in the UPI Mechanism.

Bidders will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, Promoter Group and their respective directors and officers, Subsidiary, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Promoters, Promoter Group and Subsidiary, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in **Mangalore, Karnataka** only. This Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer

in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited (hereinafter referred to as BSE). The disclaimer clause as intimated by BSE to our Company post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the ROC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). The disclaimer clause as intimated by NSE to our Company post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the ROC filing.

Listing

The Equity Shares proposed to be issued through the Draft Red Herring Prospectus and this Draft Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the equity shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Offer Document in accordance with the applicable laws. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of equity shares at the Stock Exchanges are taken within six working days of the Bid/Issue Closing Date. If our Company does not allot equity shares pursuant to the issue within six working days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the bidders at the rate of 15% per annum for the delayed period.

Consents

Consents in writing of the Promoter, our Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, legal advisor, Bankers to our Company, the BRLM, the Registrar to the Issue have been obtained; and consents in writing of the Syndicate Members, the Public Issue Bank, Escrow Collection Bank Sponsor Bank and Refund Banker to act in their respective capacities, have been obtained / will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50 lacs or with both.

Expert to the Offer

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

Our Company has received written consent dated March 16, 2022 from Shah & Taparia, Chartered Accountants, to include their name as required under Section 2(38) read with Section 26 of the Companies Act, 2013, in this Draft Red Herring Prospectus and as an “expert” as defined under the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated March 16, 2022 on our Restated Financial Information in this Draft Red Herring Prospectus and in respect of the Statement Possible Tax Benefit dated March 16, 2022 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

PRICE INFORMATION OF LAST 10 (TEN) ISSUED HANDLED BY THE LEAD MANAGER

Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] – 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1	Alphalogic Techsys Ltd.	6.18	84/-	05/09/2019	83.00	7.86 [2.81]	1.07 [11.00]	16.67 [4.09]
2	Tranway Technologies Ltd.	4.24	10/-	05/02/2020	11.10	50.00 [-6.49]	1.00 [-22.91]	-21.90 [-8.59]
3	ICL Organic Dairy Products Ltd.	4.08	20/-	17/02/2020	20.80	-25.00 [-25.52]	-3.25 [-24.25]	9.75 [-7.74]
4	DJ Mediaprint & Logistics Ltd.	2.40	20/-	13/04/2020	20.60	165.00 [2.22]	64.50 [19.24]	105.00 [32.00]
5	Promax Power Ltd.	1.60	10/-	12/10/2021	11.00	54.00 [0.11]	126.00 [-0.85]	N. A.
6	Dynamic Services & Security Ltd.	24.13	51/-	13/10/2021	53.00	-13.73 [-0.80]	-20.00 [-0.87]	N. A.
7	Destiny Logistics & Infra Limited	5.39	20/-	13/10/2021	20.70	-27.00 [-0.80]	-41.75 [-0.87]	N. A.
8	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	78.43 [-3.33]	N. A.	N. A.
9	Safa Systems & Technologies Ltd.	4.00	10/-	09/02/2022	16.55	7.00 [-5.13]	N. A.	N. A.
10	Shigan Quantum Technologies Limited	22.70	50/-	11/03/2022	61.00	N. A.	N. A.	N. A.

Status as on March 18, 2022

1. in case where the security is not being traded on 30th, 90th and 180th day, the previous working day has been considered.
2. in case where 30th, 90th and 180th day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME and Nifty where securities have been listed in NSE Emerge.

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 th calendar day from listing day			Nos. of IPOs trading at premium – 30 th calendar day from listing day			Nos. of IPOs trading at discount -180 th calendar day from listing day			Nos. of IPOs trading at premium – 180 th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20	6	52.42	N. A	1	2	N. A	2	1	N. A	1	2	N. A	N. A	3
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A
2021-22	6	62.63	N. A	1	1	2	N. A	1	N. A	N. A	N. A	N. A	N. A	N. A

Status as on March 18, 2022

TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.finshoregroup.com.

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidder can contact the Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

Bidder can contact the Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, nonreceipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company has not received any investor grievances during the three years preceding the date of the Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

We estimate that the average time required by our Company and/ or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of nonroutine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mehaboobsab Mahmadvous Chalyal, as the Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Mukka Corporate House,
Door No. 18-2-16/4, First Cross,
NG Road, Attavara,
Dakshina Kannada,
Mangaluru – 575001, Karnataka
Telephone: 0824 4252889
E-mail: cs@mukkaproteins.com
Investor Grievance ID: investors@mukkaproteins.com

Our Company has obtained authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management*" beginning on page 194.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries, or associate entities during the last three years

Other than as disclosed in "*Capital Structure*" on page 58, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

Our Company does not have any listed group company or any listed subsidiary or a listed associate entity.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our Subsidiary is not listed on any stock exchange.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the CAN (for Anchor Investors), Allotment Advice and other documents and certificates that may were or may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to offer for sale and listing and trading of securities, issued from time to time, by the SEBI, Government of India, Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as maybe prescribed by SEBI, RBI and/or any regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI Listing Regulations, SEBI ICDR Regulations, SCRA read with SCRR, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of transfer in accordance with applicable law. For more information, see “*Main Provisions of Articles of Association*” beginning on page 336.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be received by the Allottees. For more information, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” on pages 220 and 336, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹1/- and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. At any given point in time there will be only one denomination for the Equity Shares.

The Price Band, the minimum Bid Lot, was decided by our Company in consultation with the BRLMs, was published by our Company in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated [●] daily, [●] being the regional language of [●], where our Registered Office is located) at least two Working Days prior to the Bid/ Offer Opening Date, in, and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price were required to be pre-filled in the Bid-cum-Application Forms available at the respective websites of the Stock Exchanges.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable law and our Articles of Association, the Equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;

- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Main Provisions of Articles of Association*” beginning on page 336.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated December 30, 2021 among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated December 30, 2021 among CDSL, our Company and Registrar to the Offer.

Our Company International Securities Identification Number (ISIN) is INE0CG401037

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Issue Procedure*” beginning on page 314.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/ authorities in Mangalore, Karnataka.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, could nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, as amended, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Issue for any reason at any time after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre- Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of RIBs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after within six Working Days of the Bid/ Issue Closing Date or such other time period as prescribed under applicable law; and (ii) the filing of the Prospectus with the RoC. If our Company in consultation with the Book Running Lead Managers, withdraw the Issue at any stage, including after the Bid/ Issue Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]#

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

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

UPI mandate end time and date was at [●] on [●].

An indicative timetable in respect of the Offer is set out below:

BID/ OFFER CLOSING DATE	[●]
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about [●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS FROM ASBA ACCOUNT⁽¹⁾	On or about [●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	On or about [●]

(1) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/

withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated by the SCSB at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date till the date of the actual unblock. The SCSBs shall compensate the Bidder, immediately on the date of receipt of complaint from the Bidder. From the date of receipt of complaint from the Bidder, in addition to the compensation to be paid as stated above, the post-Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of on which grievance is received by the BRLMs or Registrar until the date on which the blocked amounts are unblocked.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six (6) Working Days of the Bid/Issue Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	[●]
Bid/ Offer Closing Date*	
Submission and Revision in Bids	[●]

*UPI mandate end time and date was at [●] on [●].

On the Bid/ Offer Closing Date, the Bids were uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Investors.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked in the relevant ASBA Account, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids would not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded were not considered for allocation under the Offer. Bids were accepted only during Working Days.

Minimum Subscription

As prescribed, the minimum subscription in the Issue shall be 90% of the Issue. If our Company does not receive (i) the minimum subscription of 90% of the Issue on the Issue Closing Date and (ii) minimum Allotment as specified under Rule 19(2)(b) of the SCRR or if the subscription level falls below 90% on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares to be listed on such Stock Exchanges, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the subscription amount as prescribed under the SEBI ICDR Regulations, our Company and every Director of our Company who are officers in default, shall pay interest at the rate of 15% per annum. Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be treated in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, securities premium notes, etc. issued by our Company.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of pre-Offer equity shareholding, minimum Promoters' contribution and Anchor Investor lock-in in the Offer, as detailed in "*Capital Structure*" on page 58 and as provided in our Articles as detailed in "*Main Provisions of Articles of Association*" on page 336, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/ splitting.

ISSUE STRUCTURE

Initial public offering of up to 8,00,00,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million. The Issue will constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

The face value of equity shares is ₹1/- each.

The Issue is being made through the Book Building Process.

Particulars	QIBs⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment / allocation ^{*(2)}	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Issue size available for Allotment/ allocation	Not more than 50% of the Issue size. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available for allocation to other QIBs.	Not less than 15% of the Issue size or Issue less allocation to QIB Bidders and Retail Individual Bidders	Not less than 35% of the Issue size or Issue less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): <ul style="list-style-type: none"> Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. <p>Up to [●] Equity Shares may be allocated on a discretionary basis to the Anchor Investors.</p>	Proportionate	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “ <i>Issue Procedure</i> ” on page 314 of this Draft Red Herring Prospectus.
Mode of Bidding	Through ASBA process only (except Anchor Investors).		

Particulars	QIBs⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares, thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares, thereafter.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares, thereafter.		
Allotment Lot	A minimum [●] Equity Shares and in multiples of one Equity Share, thereafter.		
Mode of Allotment	Compulsorily in dematerialized form		
Trading Lot	One Equity Share		
Who can apply ⁽⁴⁾	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 2,500 lacs, pension fund with minimum corpus of ₹ 2,500 lacs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies (as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations).	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA (excluding for Anchor Investors) Form at the time of submission of the ASBA Form and in case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant.		

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. ⁽³⁾			

* Assuming full subscription in the Issue.

(1) Our Company may, in consultation with the BRLM allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●] % of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs.

(2) Subject to valid Bids being received at or above the Issue Price. This Issue is being made in accordance with Rule 19(2)(b) of the SCRR. The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●]% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

(3) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. Provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For details of terms of payment applicable to Anchor Investors, see "Issue Procedure" on page 314 of this Draft Red Herring Prospectus.

(4) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Issue" on page 306 of this Draft Red Herring Prospectus.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020 and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the amendments to the SEBI ICDR Regulations and provisions of the Companies Act to the extent applicable to a public issue and any other enactments and regulations. The General Information Document shall also be made available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this Section.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICELL/11/2015) dated November 10, 2015, as amended and modified by SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended and modified by SEBI Circulars (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Red Herring Prospectus.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this Section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Book Building Procedure

The Issue is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one -third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added back to the QIB Portion (other than Anchor Investor Portion). 5% of the net QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (for RIBs using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity shares rematerialised subsequent to allotment of Equity shares in the IPO.

Phased Implementation of Unified Payments Interface

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 (“**UPI Circular**”) has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“**UPI Phase I**”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIBs (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

If the Issue is made under UPI Phase III, the same will be advertised in all editions of the English national daily newspaper, [●], all editions of the Hindi national daily newspaper, [●] and all editions of the Kannada daily newspaper, [●] (Kannada being the regional language of Karnataka, where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

Further, our Company and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

Retail Individual Bidders making application using UPI shall use or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs upon receipt of the Bid cum Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchanges. Applications made by the Retail Individual Bidders using third party bank account or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. Post uploading the Bid details in the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Bidders with the Depositories.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the ASBA Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and the Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one (01) day prior to the Bid/Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process including through UPI mode (as applicable), to participate in the Issue. ASBA Bidders must provide bank account details/UPI ID linked with bank account and authorisation by ASBA Bank holder to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made using third party bank accounts or using UPI ID linked with third party bank account are liable to be rejected.

Since the Issue is made under Phase II of the SEBI UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

1. RIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
2. RIBs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
3. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Further, ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Retail Individual Investors Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[●]
Non-Residents including FPIs or FVCIs (including their sub-accounts), Eligible NRIs applying on a repatriation basis, registered multilateral and bilateral development financial institutions applying on a repatriation basis^	[●]
Anchor Investors**	[●]

*Excluding electronic Bid cum Application Forms

**Anchor Investors Application forms will be made available only at the Office of the BRLM

^Electronic Bid cum Application Forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms from RIBs bidding using the UPI mechanism) to the respective SCSB, where the Bidder has a bank account with ASBA facility, details of which were provided by the Bidder in his respective ASBA Form and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For RIBs Bidding using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs, for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

Applications through UPI can be made only through the SCSBs / mobile applications (apps) whose name appears on the SEBI website – www.sebi.gov.in at the following path: *Home » Intermediaries/Market Infrastructure Institutions » Recognised Intermediaries » Self Certified Syndicate Banks eligible as Issuer Banks for UPI*

A list of SCSBs and mobile application, which, as on date of this Draft Red Herring Prospectus are live for applying in public issues using UPI mechanism is available on the SEBI website. The RIIs shall submit applications only through the UPI mechanism, which would be the only permissible mode. Therefore, the process of an investor submitting bid cum-application form with any intermediary along with bank account details, and movement of such application forms from intermediaries to SCSBs for blocking of funds, has been discontinued by SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019.

An investor shall ensure that when applying in this Issue using the UPI mechanism, the name of his Bank should appear in the list of SCSBs which is displayed on the SEBI website indicting the names of those banks which are live on UPI. Further, he shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

Investors whose bank is not live on UPI, may use the other alternate channels available to them viz. submission of application form with SCSB or using the facility of linked online trading, demat and bank account.

An application made using incorrect UPI handle or using a bank account of an SCSBs or bank which is not mentioned in the aforesaid list is liable to be rejected. After the implementation of UPI phase III, the RIBs will not have the option of submitting bid-cum application form with any of the intermediaries for blocking of funds and making bids.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Electronic Registration of Bids

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus.
- Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Participation of Promoters and members of the Promoter Group of our Company, the BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLM or any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), our Promoters and members of our Promoter Group cannot apply in this Issue.

Who can Bid?

In addition to the category of Bidders, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific research organisations authorised in India to invest in the Equity Shares; and
- Any other persons eligible to Bid in the Issue under the laws, rules, regulations, guidelines and policies applicable to them.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid 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.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRI(s) in the Issue shall be subjected to the FEMA Rules.

Bids by HUFs

Hindu Undivided Families or HUFs, shall apply in the individual name of the Karta. The Bidder/Applicant should specify in the Bid cum Application form, that the Bid being made in the name of the HUF, as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs could be up to 100%, being the sectoral cap of the paid-up equity share capital of our Company on a fully diluted basis.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route).

The FEMA Non-Debt Instruments Rules was enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it

in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI;
- such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("MIM") structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;

Bids by SEBI registered Venture Capital Funds, Alternate Investment Funds and Foreign Venture Capital Investors

The SEBI FVCI Regulations, as amended and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third (1/3rd) of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up. Our Company and BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserves the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if:

- the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or
- the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI.

A banking company would require a prior approval of the RBI to make:

- investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and
- investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (No. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

- equity shares of a company: the lower of 10% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, a certified copy of (i) the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, must be attached to the Bid-cum Application Form.

Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for upto 60% of the QIB Portion in accordance with the SEBI ICDR Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI ICDR Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the Net QIB Portion. In accordance with the SEBI ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

- The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 1000 lacs. A Bid cannot be submitted for over 60 % of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 1,000 lacs.
- One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.
- Our Company in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:
 1. maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 1,000 lacs;
 2. minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 1,000 lacs but up to ₹25,000 lacs, subject to a minimum Allotment of ₹ 500 lacs per Anchor Investor; and
 3. in case of allocation above ₹25,000 lacs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 25,000 lacs, and an additional 10 Anchor Investors for every additional ₹25,000 lacs, subject to minimum allotment of ₹ 500 lacs per Anchor Investor.
- Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
- Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- The BRLM or any associates of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associate of the BRLM or FPIs other than Category III sponsored by the entities which are associate of the BRLM), our Promoters, Promoter Group or any person related to them will not participate in the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has any of the following rights shall be deemed to be a person related to the promoters or promoter group of the issuer: (i) rights under a shareholders' agreement or voting agreement entered into with promoters or promoter group of the issuer; or (ii) veto rights; or (iii) right to appoint any nominee director on the board of the issuer. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- Anchor Investors are not permitted to Bid in the Issue through the ASBA process.
- For more information, see the General Information Document.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus. The investment limits for Systemically Important Non-Banking Financial Companies shall be as prescribed by RBI from time to time.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Draft Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of English national newspaper [●]; (ii) all editions of Hindi national newspaper [●]; and (iii) all editions of Kannada newspaper [●], each with wide circulation.

In the pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] and all editions of the Kannada daily newspaper [●] (Kannada being the regional language of Karnataka, where our Registered Office is located).

Signing of the Underwriting Agreement and the RoC Filing

- Our Company and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the determination of the Issue Price.
- After signing the Underwriting Agreement, an updated Draft Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

- Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Retail Individual Investors using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID;
- Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
- Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
- Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

- Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIIs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;
- In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
- All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
- Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
- Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
- Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

- However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
- FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
- In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
- Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
- Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
- Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
- Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
- Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices, which are re-categorised as category II FPI and registered with SEBI, for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and
- Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.
- Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00p.m. of the Working Day immediately after the Bid/ Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not Bid for lower than the minimum Bid size;
- Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
- Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
- Anchor Investors should not Bid through the ASBA process;

- Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
- Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
- Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
- If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- If you are a RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
- Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors can revise or withdraw their Bids until the Bid/Offer Closing Date;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
- Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
- Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
- Anchor Investors shall not bid through the ASBA Process;
- Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

- Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
- Do not bid if you are an OCB

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

Name of the BRLM	E-mail
Finshore Management Services Limited	ramakrishna@finshoregroup.com

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations or as may be prescribed by SEBI from time to time.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the net offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to this Draft Red Herring Prospectus or the Prospectus.

Allotment Procedure and Basis of Allotment

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. No Retail Individual Bidder will be allotted less than the minimum Bid Lot subject to availability of

shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

Allotment to RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Portion at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Portion at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot (“**Maximum RIB Allottees**”).

The Allotment to the RIBs will then be made in the following manner:

- In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Portion shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

Allotment to NIBs

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

Allotment to QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2018, this Draft Red Herring Prospectus or the Prospectus. Bids received from QIBs Bidding in the QIB Portion (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Portion may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

1. In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs;
2. In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Portion, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Undersubscription below 5% of the QIB Portion, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

Allotment to Anchor Investor (if applicable)

- Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of our Company in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
 - not more than 60 % of the QIB Portion will be allocated to Anchor Investors;

- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 1,000 lacs;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 1,000 lacs and up to ₹25,000 lacs subject to minimum Allotment of ₹ 500 lacs per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation more than ₹25,000 lacs, and an additional 10 Anchor Investors for every additional ₹25,000 lacs or part thereof, subject to minimum Allotment of ₹ 500 lacs per such Anchor Investor.
- An Anchor Investor shall make an application of a value of at least ₹ 1,000 lacs in the Issue.
- A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of our Company in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- In the event that the Issue Price is higher than the Anchor Investor Issue Price, Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- In the event the Issue Price is lower than the Anchor Investor Issue Price, Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

Basis of allotment for QIBs (other than Anchor Investors), NIBs and Reserved Category in case of over-subscribed issue

In the event of the Issue being over-subscribed, our Company, in consultation with the BRLM may finalise the Basis of Allotment with the approval of the Designated Stock Exchange in accordance with the SEBI ICDR Regulations. The allocation may be made in marketable lots, on a proportionate basis as explained below:

- Bidders may be categorized according to the number of Equity Shares applied for;
- The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

Designated Date and Allotment of Equity Shares

- Designated Date: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the Draft Red Herring Prospectus. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of Equity Shares to the successful Bidders'/Applicants' Depository Account will be completed within six (6) Working Days of the Bid/Issue Closing Date.

Our Company shall ensure that “at par” facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Anchor Investors: “Mukka Proteins Limited IPO Escrow-Anchor Investor-R”
- In case of Non-Resident Anchor Investors: “Mukka Proteins Limited IPO Escrow-Anchor Investor-NR”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 30, 2021 amongst NSDL, the Company and Registrar to the Issue.
- Agreement dated December 30, 2021 amongst CDSL, the Company and Registrar to the Issue.

Our Company International Securities Identification Number (ISIN) is INE0CG401037

The above information is given for the benefit of the Bidders/applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Undertakings by our Company

Our Company undertakes the following:

- Adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Forms from Anchor Investors;
- The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six (6) Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by SEBI;
- If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;
- The funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/Issue Opening Date.
- The Allotment advice / refund confirmation to Eligible NRIs shall be dispatched within specified time, subject to availability of postal services in India;
- No further issue of the Equity Shares shall be made till the Equity Shares offered through the Draft Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.;
- If our Company does not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
 1. If our Company, withdraws the issue at any stage including after closure of bidding, our Company shall be required to file a fresh draft offer document with the Board, in the event our Company subsequently decide to proceed with the Issue; and
 2. Our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Filing

A copy of this Draft Red Herring Prospectus dated March 18, 2022 shall be submitted to SEBI by way of an e-mail at cfddil@sebi.gov.in in accordance with the instructions issued by the SEBI through its circular dated March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD" and will be filed with SEBI electronically on the SEBI intermediary portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC, and a copy of the Prospectus shall be filed with the RoC at its office located at the Registrar of companies, Bangalore, E' Wing, 2nd Floor Kendriya Sadana, Bangalore – 560 034, Karnataka, India, as required under Sections 26 and 32 of the Companies Act, 2013 and through the electronic portal.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;
- Details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- Details of all unutilised monies out of the Fresh Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP also issues the Consolidated Foreign Direct Investment Policy (“FDI Policy”) from time to time. The Company is engaged in the activity of manufacturing of fish meal, fish oil and fish soluble paste. The FDI Policy issued by the DIPP permits foreign investment up to 100% in the manufacturing sector under the automatic route. No approvals of the Administrative Ministries/Departments or the RBI are required for such allotment of equity Shares under this Issue. The Company will be required to make certain filings with the RBI after the completion of the Issue. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DIPP with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DIPP till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100%. As per the Regulations, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Our Company falls within the applicable statutory ceiling limits which stand at 100% for the manufacturing sector under the FDI Policy.

Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. The shareholders of the Company have by their resolution dated December 29, 2021 approved such increase of limits of investment for the FPIs, NRIs and OCIs.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (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 the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extra Ordinary General Meeting held on, 28th February 2022 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Table `F` Not to Apply

1. (a) The regulations contained in the Table marked "F" in Schedule I of the Companies Act, 2013 (as defined below) shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Company to Be Governed by These Articles

- (b) The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by Section 14 of the Act, be such as are contained in these Articles.

INTERPRETATION

Headings Not Authoritative

2. (A)(a) The headings used in these Articles shall not affect the construction hereof.

Interpretation Clause

- (b) In the Interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context:

"The Company" or "This Company" or "Company"

- (c) "The Company" or "This Company" means Mukka Proteins Limited, Public Company incorporated under the Companies Act, 1956.

"The Act" or "The said Act" or "The Companies Act"

- (d) "The Act" or "The said Act" means the Companies Act, 2013 (Act 18 of 2013) the rules, notifications, clarifications, circulars and orders issued thereunder and subsequent amendments thereto or any statutory modifications or re-enactments thereto or any statutory modifications or re-enactments thereof for the time being in force.

"Affiliate"

- (e) "Affiliate" means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, or any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person;

"Applicable Law"

- (f) "Applicable Law" means all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, orders, decisions, injunctions, judgments, awards, decrees or other requirements or official directive of any court of competent authority or of any competent Governmental Authority, including any International Trade Governmental Authority, the Securities and Exchange Board of India, or Person acting under the authority of any competent Governmental Authority of the Republic of India, including any International Trade Governmental Authority, rules of any stock exchanges and Indian GAAP or Ind AS or any other generally accepted accounting principles.

"Alter" And "Alteration"

- (g) "Alter" and "Alteration" shall include the making of additions and omissions;

"Annual General Meeting"

- (h) “Annual General Meeting” means a general meeting of the members held in accordance with the provisions of Section 96 of the Act and adjourned holding thereof;
- “Articles”**
- (i) “Articles” mean the Articles of Association of the Company as originally framed or as altered from time to time;
- “Auditors”**
- (j) “Auditors” means and includes those persons appointed as such for the time being by the Company;
- “Beneficial Owner”**
- (k) “Beneficial Owner” shall mean the beneficial owner as defined in Clause (a) of sub-section (l) of Section 2 of the Depositories Act, 1996;
- “Board” or “Board of Directors”**
- (l) “Board” or “Board of Directors” means the collective body of the directors of the Company;
- “Body Corporate” or “Corporation”**
- (m) “Body Corporate” or “Corporation” includes a Company incorporated outside India but does not include:
- (i) a co-operative society registered under any law relating to co-operative societies; and
- (ii) any other body corporate (not being a Company as defined in the Act) which the Central Government may, by notification in the Official Gazette, specify in this behalf;
- “Capital”**
- (n) “Capital” means the Share Capital for the time being raised or authorized to be raised, for the purpose of the Company;
- “Controlling”, “Controlled by” or “Control”**
- (o) “Controlling”, “Controlled by” or “Control” with respect to any Person, shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner;
- “Debentures”**
- (p) “Debentures” include debenture-stock, bonds and other instruments of the Company evidencing debt, whether constituting a charge on the assets of the Company or not;
- (q) **“Debenture Holders”**
“Debenture Holders” means the duly registered holders from time to time of the debentures of the Company and shall include in case of debentures held by a Depository, the beneficial owners whose names are recorded as such with the Depository.
- “Depository”**
- (r) “Depository” shall mean a depository as defined in Clause (e) of the Sub-section (l) of Section of the Depository Act, 1996;
- “Directors”**
- (s) “Directors” means the director appointed to the Board of the Company;
- “Dividend”**
- (t) “Dividend” includes any interim dividend;
- “Document”**
- (u) “Document” includes summons, notice, requisition order, declaration form and registers, whether issued, sent or kept in pursuance of this or any other law for the time being in force or otherwise, maintained on paper or in electronic form;
- “Equity Shares”**
- (v) “Equity Shares” mean the equity shares of the Company;;

- “Extraordinary General Meeting”**
- (w) “Extraordinary General Meeting” means general meeting of the members other than Annual General Meeting duly called and constituted and any adjourned holding thereof;
- (x) **“Executor” or “Administrator”**
Executor" or "Administrator” means a person who has obtained probate or Letters of Administration, as the case may be, from some competent Court having effect in India and shall include the executor or Administrator or the holder of a certificate, appointed or granted by such competent Court and authorized to negotiate or transfer the shares of the deceased member
- “Financial Statements”**
- (y) “Financial Statements” shall mean, the financial statements of the Company prepared in accordance with Applicable Law and shall include without limitation, the balance sheet as at the end of the financial year and profit and loss account for the financial year, the cash flow statement for the financial year, the notes to the financial statements, directors report, the auditor’s report and all disclosures as prescribed in Schedule II of the Act, a statement of changes in equity; and any explanatory note annexed to, or forming part of any of these documents;
- “Gender”**
- (z) Words importing the masculine gender also include, where the context requires or admits, the feminine gender;
- “INR or Rs”**
- (aa) “INR or Rs” means the Indian Rupees;
- “Independent Director”**
- (bb) “Independent Director” shall mean an independent director as defined in Section 2 (47) of the Companies Act read with Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent modifications or amendments thereto.
- (cc) **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent modifications or amendments thereto.
- “Key Managerial Personnel”**
- (dd) “Key Managerial Personnel” means the Chief Executive Officer or the Managing Director or Manager; the Company Secretary; Whole-Time director; Chief Financial Officer, such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and such other officer as may be notified from time to time in the Rules.
- “Managing Director”**
- (ee) “Managing Director” means a Director who by virtue of an Agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management;
- “Meeting” or “General Meeting”**
- (ff) “Meeting” or “General Meeting” means a meeting of Members;
- “Member”**
- (gg) “Member” means (i) the subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

“Memorandum”

- (hh) “Memorandum” means the Memorandum of Association of the Company as originally framed or as altered from time to time;
- “Month”**
- (ii) “Month” means a calendar month;
- “National Holiday”**
- (jj) “National Holiday” means and includes a day declared as national holiday by the Central Government;
- (kk) Non-retiring Directors**
Non-retiring Directors” means a director not subject to retirement by rotation
- “Office”**
- (ll) “Office” means the Registered Office for the time being of the Company;
- “Ordinary Resolutions”**
- (mm) A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be in favor of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting;
- “Paid-Up Share Capital “or “Share Capital Paid-Up”**
- (nn) “Paid-Up Share Capital “or “Share Capital Paid-Up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;
- “Person”**
- (oo) “Person” includes any individual, partnership, corporation, company, Governmental Authority, unincorporated organization, association, trust or other entity (whether or not having a separate legal entity);
- “Plural Number”**
- (pp) Words importing the plural number also include, where the context requires or admits, the singular number, and vice-versa;
- “Proxy”**
- (qq) “Proxy” include attorney duly constituted under the power of attorney;
- “Register of Members”**
- (rr) “Register of Members” means the Register of Members to be kept, pursuant to the Act maintained on paper or in electronic form;
- “Registrar”**
- (ss) “Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated;
- “Regulations” or “The Company’s Regulations”**
- (tt) “Regulations” or the Company’s Regulations means the regulations for the time being for the management of the Company;
- “Rules”**
- (uu) “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- “Seal”**
- (vv) “Seal” means the Common Seal of the Company for the time being;
- (ww) **“SEBI”**

“SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

“Secretary”

- (xx) “Secretary” means a Company Secretary within the meaning of Section 2(1) (c) of the Companies Secretaries Act, 1980, and includes any individual possessing the prescribed qualifications and appointed as Secretary of the Company to perform the duties which may be performed by the Secretary under the “Act” and other ministerial or administrative duties;

“Section” or “Sections”

- (yy) “Section” or “Sections” means a Section of the Act for the time being in force;

(zz) **“Share”**

“Share” means share in the Share Capital of the Company, and includes stock except where a distinction between stock and share is expressed or implied;

(aaa) **“Significant Beneficial Owner”**

“Significant Beneficial Owner” shall mean the beneficial owner as defined in Rule 2(1)(h) of Companies (Significant Beneficial Owners) Rules, 2018.

“Special Resolution”

- (bbb) A Resolution shall be a Special Resolution when –

- (i) the intention to propose the resolution as a special resolution has been duly specific in the notice calling the general meeting or other intimation given to the members of the resolution;
- (ii) the notice required under the Act has been duly given of the general meeting; and
- (iii) the vote cast in favor of the resolution (whether on a show of hands, or no a poll, as the case may be) by members who, being entitled so to do vote in person, or where proxies are allowed by proxy, are not less than three times the numbers of the votes, if any, cast against the resolution by members so entitled and voting.

“These Presents”

- (ccc) “These Presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time;

“Transfer”

- (ddd) “Transfer” means (in either the noun or the verb form and including all conjugations thereof with their correlative meanings) with respect to the Shares, the sale, assignment, transfer or other disposition (whether for or without consideration, whether directly or indirectly) of any Shares or of any interest therein or the creation of any third party interest in or over the Shares, but excluding any renunciation of any right to subscribe for any shares offered pursuant to a rights issue to existing shareholders in proportion to their existing shareholding in the Company;

“Variation” and “Vary”

- (eee) “Variation” shall include abrogation and “Vary” shall include abrogate;

“Written” and “In Writing”

- (fff) “Written” and “In Writing” include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other;

“Year” and “Financial Year”

- (ggg) “Year” means a calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act;

“Expression in the Act to bear the same meaning in Articles”

- (B) Save as aforesaid, any words or expressions defined in the Act shall, where the subject or context bids, bear the same meaning in these Articles.

Copies of Memorandum and Articles to be Furnished by the Company

3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or

such other fee as may be specified in the applicable Rules, a copy of each of the following documents, as in force for the time being:

- (i) The Memorandum;
- (ii) The Articles;
- (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

Company's Funds may not be Applied in Purchase of or Lent for Shares of the Company

4. (a) The Company shall not have the power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance Section 66 of the Companies Act at the time of application.
- (b) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

Provided that nothing in this clause shall be taken to prohibit:

- (i) the provision by the Company, in accordance with any scheme approved by the Company through special resolution for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of, or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or
 - (ii) the making by the Company of loans, within the limit laid down in Sub-Section (3)(c) of Section 67 of the Act, to persons (other than Directors or Key Managerial Personnel) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership.
- (c) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.
 - (d) Nothing in this Article shall affect the right of the Company to redeem any shares issued under this Act or under any previous Company Law.

Buy Back of Securities

5. Notwithstanding anything contained in the Articles, but subject to the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Act as amended from time to time and subject to such regulations, conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own securities, whether or not there is any consequent reduction of capital. If and to the extent permitted by law, the Company shall have the power to re-issue the securities so bought back.

Share Capital and Variation of Rights

6. (a) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of the Memorandum each with power to consolidate, increase, reduce, subdivide the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.

The Share Capital of the Company shall be of two kinds, namely:-

- i. Equity Share Capital
 - with voting rights; or
 - with differential rights as dividend, voting or otherwise in accordance with the Act.
 - ii. Preference share capital.
- (b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the

equity shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.

- (c) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Increase of Capital

7. The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.

On what Conditions the New Shares may be Issued

- (a). Subject to the provisions of Section 43 to 47, 55 and 62 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and, subject to the provisions of Companies Act, with special right of voting and, subject to provisions of Section 55 of the Act, any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Further Issue of Capital

- (b) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of the increased share capital.
- (i) such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
- (ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice shall contain a statement of this right.
- (iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.
- (v) Notwithstanding anything contained in the preceding sub-clause, the Company may:
- (a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees' stock option; or
- (b) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.
- (c) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act, Rules and other applicable provisions of law.

Employee Stock Option Scheme

- (d) The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general

meeting subject to the provisions of the Act, the Rules, and other applicable regulations framed by any regulator or authority, by whatever name called.

Debenture

- (e) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

Directors may Allot Shares otherwise than for cash

- (f) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or, machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

Same as Original Capital

- (g) Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, installments, transfers, transmission, forfeiture, lien, surrender voting and otherwise.

Issue of Depository Receipts

- (h) Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

- (i) **Power to issue Shares with differential voting rights**

The Company shall have the power to issue Shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with requirements as provided for the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as amended, or any other law, circular, direction, guidelines as may be applicable to the Company from time to time.

- (j) **Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the Company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

Power to Issue Redeemable Preference Shares

8. (a) Subject to the provisions of Section 55 of the Act, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:

Provided that :

- (i) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
- (ii) no such shares shall be redeemed unless they are fully paid;
- (iii) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account, and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this section, apply as if the Capital Redemption Reserve Account were paid-up share capital of the company; and the premium, if any, payable on redemption shall have been provided for out of the profits of the company or out of the Company's securities premium account before the shares are redeemed;

- (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called “the Capital Redemption Reserve Account”, a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the capital redemption reserve account were paid up share capital of the Company.
- (b) Subject to the provisions of Section 55 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- (c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorized share capital.
- (d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relate to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

- (e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

9.

Provision in Case of Redemption of Preference Shares

The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect :

- (a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and
- (b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares, which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.
- (c) Subject to the provisions of the Articles, the Company shall be entitled to create and issue further Preference Shares ranking in all or any respects *pari passu* with the preference shares then outstanding. PROVIDED in the event of its creating and/or issuing further preference shares ranking *pari passu* with the Preference Shares then outstanding the Company would do so only with the consent of the holders of not less than three-fourths of the preference shares then outstanding.
- (d) The Redeemable Preference Shares shall not confer upon the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the

manner provided by Section 47 of the Act.

- (e) The rights, privileges and conditions for the time being attached to the Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

Convertible Preference Shares

- 10. Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the Provisions of the Act, the Company may issue Convertible Preference Shares (CPS) in such manner as the Board of Directors of the Company may decide and specifically provide for:
 - (i) the Quantum of issue;
 - (ii) the terms of the issue with particular reference to the conversion of CPS into the equity shares of the company;
 - (iii) the rate of cumulative preferential dividend payable on CPS, the voting rights to be attached to CPS and any other terms and conditions which may be attached to the issue of CPS as permissible in law

Reduction of Capital

- 11. The Company may from time to time by special resolution, subject to confirmation by the Court or Tribunal as applicable and subject to the provision of Sections 52, 55 and 66 of the Act at the relevant time reduce its share capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorized by law in particular without prejudice to the generality of the power may be:
 - (a) extinguishing or reducing the liability on any of its shares in respect of shares capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

Division, Sub-division, consolidation, Conversion and Cancellation of Shares

- 12. Subject to the provisions of Section 61 of the Act, the Company in general meeting may alter the conditions of its Memorandum as follows, that is to say, it may:
 - (a) increase its authorized share capital by such amount as it think expeditiously;
 - (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable
 - (c) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;
 - (d) convert, all or any of its fully paid-up shares into stock, and re-convert that stock into fully paid-up shares of any denomination;

- (e) cancel, shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of Rights

13. If at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourth in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The Provisions of these Articles relating to general meeting shall *mutates mutandis* apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Article 100 is not present, those persons who are present shall be the quorum.

14. **CONVERSION OF SHARES INTO STOCK**

The Board may, pursuant to Section 61 of Act, with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, power nevertheless at their discretion to waive such rules in any particular case. Notice of such conversion of shares into stock or reconversion of stock into shares shall be filed with the Registrar of Companies as provided in the said Act.

15. **RIGHTS OF STOCK-HOLDERS**

The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted but no such privileges or advantages, except the participation in profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of, consolidated stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special holders of the share and authenticated by such evidence (if any) as the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares and the words "share" and "shareholder" in these presents shall include "stock" and "stock-holder".

SHARES AND CERTIFICATES

Issue of Further Shares not to Affect Right of Existing Shareholders

16. The right or privileges conferred upon the holders of the shares of any class issued with preference or other rights, shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or modified or affected by the creation or issue of further shares ranking *pari passu* therewith.

Provisions of Section 43, 45, 46 and 47 of the Act to apply

17. The provisions of Section 43, 45, 46 and 47 of the Act in so far as the same may, be applicable shall be observed by the Company.

Register of Members and Debenture holders

18. (a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 88 of the Act and Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company may also keep foreign Register of Members and Debenture holders in accordance with Section 88 of the Act.
- (b) The Company shall also comply with the provisions of Sections 92 of the Act as to filing of Annual Returns.

- (c) The Company shall duly comply with the provisions of Section 94 of the Act with regards to keeping of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.
- (d) Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

Restriction on Allotment

19. The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act shall cause to be made the return as to allotment provided for in Section 39 of the Act.

Shares to be Numbered Progressively and no share to be subdivided

20. The shares in the capital shall be numbered progressively accordingly to the several denominations and except in the manner herein before mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Dematerialised Shares

21. Notwithstanding anything contained herein, in the case of transfer of shares or other marketable securities where the Company has not issued any Certificates and where such shares or other marketable securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Further, the provisions relating to progressive numbering shall not apply to the shares of the Company which have been dematerialised.

Shares at the Disposal of the Directors

22. Subject to the provisions of Section 62 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons. In such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time think fit and with the sanction of the Company in General Meeting to give to any person the option to all for any shares either at par or at a premium during such time and for such consideration as the Directors may think, fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Every Shares Transferable etc.

23. (i) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by these Articles.
- (ii) Each share in the Company shall be distinguished by its appropriate number.
- (iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, *prima facie*, evidence of the title of the member of such shares.

Application of Premium Received on Issue of Shares

24. (a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on these shares shall be transferred to an account to be called “the securities premium account”, and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
- (b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company:
- (i) In paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
 - (ii) In writing off the preliminary expenses of the Company;
 - (iii) In writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or

- (iv) In providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company;
- (v) For the purchase of its own shares or other securities as provided under Section 68 of the Act.

Sale of Fractional Shares

25. (i) If and wherever, as the result of issue of new or further shares or any consolidation or subdivision of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst to members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (ii) The Board shall have power to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions.

Acceptance of Shares

26. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose names is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Section 39 and 40 of the Act in so far as they are applicable.

Deposits and Calls etc. to be a Debt Payable immediately

27. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, immediately, on the insertion of the name of the holder of such shares, become a debt, due to and recoverable by the Company from the Allottee thereof, and shall be paid by him accordingly.

Company not Bound to Recognize any Interest in Shares other than of Registered Holder

28. Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provision of Section 88 of the Act shall apply.

Declarations of Person Not Holding Interest in Shares

29. When any declaration is filed with the Company under the provisions of Section 89 of the Act by any holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any shares of the Company but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

When any declaration is filed with the Company under the provisions of Section 90 of the Act by any individual who is Significant Beneficial Owner shall file a declaration in the prescribed form to the Company within time period stipulated under the Act, the Company shall file a return in the prescribed format with the registrar in respect of such declaration within 30 days from the date of receipt of such declaration.

The Company shall maintain a register of Significant Beneficial Owner in Form No. BEN-3, which shall be open for inspection in accordance with the provisions of the Act.

For the purpose of this Article, beneficial interest in a share includes includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—

- (i) exercise or cause to be exercised any or all of the rights attached to such share; or
- (ii) receive or participate in any dividend or other distribution in respect of such share

Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.

30. (a) The issue of certificates of shares or of duplicate or renewal of certificates of shares and/or advices/certificates issued upon sub-division, split, consolidation and exchanges shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or the as well as the Listing Regulations, as may be applicable or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed from the time being.
- (b) The Certificate of title of shares shall be issued under the Seal of the Company, if any, and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.
- (c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act and the Listing Regulations.

Limitation of Time of Issue of Certificate

31. (a) Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or after payment of such fees as the Board may approve, to several certificates, each for one or more of such shares and the Company shall complete and deliver such Certificates within the time provided by Section 56 of the Act or the Listing Regulations, as may be applicable, unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
- (b) The Company may not entertain any application for split of share/debenture certificate for less than 100 shares/debentures (all relating to the same series) or marketable lots whichever is lower.
- (c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

Issue of new Certificates in Place of one defaced Lost or Destroyed

32. If any certificate be worn out, defaced, mutilated or torn if there be no, further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu, thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on; execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investing the evidence as to the loss or destruction shall be paid to the Company if demanded by the directors.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any stock Exchange including the Listing Regulations or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall *mutatis mutandis* apply to debentures of the Company.

33. **Unclaimed Securities**

The Company shall comply with the provisions of the Listing Regulations while dealing with securities that remain unclaimed and the corporate benefits attached thereto. The Company shall maintain appropriate unclaimed suspense accounts and demat suspense accounts, as may be required

to hold unclaimed securities on behalf of allottees and issue such reminders to the allottees as may be required under the Listing Regulations. However, shares in respect of which unpaid or unclaimed dividend has been transferred to the account of the Company in terms of Section 124(5) of the Act shall also be transferred to the Company as per the provisions of Section 124(6) of the Act.

UNDERWRITING COMMISSION AND BROKERAGE

Power to pay Certain Commission and Prohibition of Payment of All Other Commission, Discounts etc.

34. (A). The company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -
- (a) the payment of such commission shall be authorized in the company's articles of association;
 - (b) the commission may be paid out of proceeds of the issue or the profit of the company or both;
 - (c) the rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less, and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;
 - (d) the prospectus of the company shall disclose—
 - (i) the name of the underwriters;
 - (ii) the rate and amount of the commission payable to the underwriter; and
 - (iii) the number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally. Lieu of Prospectus and filed before the payment of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;
 - (e) there shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;
- (B) Save as aforesaid and save as provided in Section 53 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of:
- (i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company or;
 - (ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid by as the nominal purchase money or contract price, or otherwise.
- (C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.
- (D) The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.

CALLS

Board May Make Calls

35. . The Board may from time to time and subject to Section 49 of the Act and subject to the terms on which any shares/debentures may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members/debenture-holders in respect of all moneys unpaid on the shares/debenture held by them respectively and each member/debenture holder or his heir's executor's or administrators shall pay the amount of every call so made on him to the Company and at the times and places appointed by the Board and shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting. A call may be made

payable by installments as may be decided by the Board. A call may be postponed revoked as the Board may determine.

Calls To Date from Resolution

36. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by members/debenture-holders on a subsequent date to be specified by the Directors.

Notice of Call

37. 15 (fifteen) days' notice in writing shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time of payment of such call, the Directors may by notice in writing to the members/debenture-holders to revoke the same.

Directors may Extend Time

38. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members/debenture-holders who on account of residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member/debenture holder shall be entitled to such extension, save as a matter of grace and favor.

Sums Deemed to be Calls

39. Any sum, which by the terms of issue of a share/debenture becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share/debenture or by way of premium, shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Installments on Shares to be Duty Paid

40. If by the condition of allotment of any shares the whole or part of the amount of issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time, shall be the registered holder of the share or his legal representative.

Calls on Shares of the Same Class to be made on Uniform Basis

41. Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Liability of Joint Holders of Shares

42. The joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares.

When Interest on Call or Installment Payable

43. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest at ten per cent per annum or at such lower rate as shall be fixed by the Board from the day appointed for the payment thereof or any such extension thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Partial Payment not to Preclude forfeiture

44. Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of any such payment preclude the forfeiture of such shares as herein provided.

Proof on Trial of Suit for Money due on Shares

45. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member or his representatives, sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls nor that a quorum of directors was present at the Board at which any call was made, nor that the meeting of which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in Anticipation of Calls May Carry Interest

46. (a) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the money due upon the shares held by him, beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, to the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.
- (b) The member shall not however be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provision of these Articles shall apply *mutatis mutandis* to the calls on debenture of the Company.

LIEN

Company's Lien on Shares/Debentures

47. The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or debenture holder (whether held singly or jointly with others) in respect of all moneys called or payable at a fixed time in respect of such shares whether the time for payment thereof shall have actually arrived or not and shall extend to all dividends, interest right and bonuses from time to time declared in respect of such shares and/or debentures. The registration of transfer of shares and/or debentures shall not operate as a waiver of the Company's lien, if any, on such shares and/or debentures, unless otherwise agreed by the Board. The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article.

As to Enforcing Lien by sale

48. For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and/or debenture and may authorize one of their members or appoint any officer or Agent to execute a transfer thereof on behalf of and in the name of such member/debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of Proceeds of Sale

49. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.
- (b) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute or Applicable Law required) be bound to recognize equitable or other claim to, or

equitable, contingent, future or partial interest in, such shares (including the fractional part of a shares) or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

FORFEITURE

If Call or Installment Not Paid Notice must be given

50. (a) If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day not being less than fourteen days from the date of the services of the notice and a place or places, on and which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

In Default of Payment Shares or Debentures to be Forfeited

51. If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company. In respect of the payment of any such money, shall preclude, the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.

Entry of Forfeiture in Register of Member/Debenture holders

52. When any shares / debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of members of debenture holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Forfeited Share/Debenture to be Property of Company and may be sold

53. Any share or debenture so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.

Power to Annul Forfeiture

54. The Directors may, at any time, before any shares or debentures so forfeited shall have been sold, re-allotted or otherwise disposed of, annul forfeiture thereof upon such conditions as they think fit.

55. **Shareholders or Debenture Holders Still Liable to pay Money Owed, at Time of Forfeiture and Interest.**

Any member or debenture holder whose shares of debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, installments, Interest, expenses and other money owing upon or in respect of such shares or debentures at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so. The

liability of the member or debenture holder shall cease if and when the Company receives payment in full of all such monies in respect of the shares or debentures.

Effect of Forfeiture

56. The forfeiture of a share or a debenture shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share or debenture and all other rights incidental to the share or debenture, except only such of these rights as by these Articles are expressly saved.

Declaration of Forfeiture

57. A Declaration in writing under the hand of one Director, the manager or the Secretary, of the company, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made and that a share or debenture in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share shall be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.

Validity of Sales under Article 48 and 53

58. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers here in above given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of members or Register of debenture holders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of member or debenture holders in respect of such shares or debenture the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be for damages only and against the Company exclusively.

Cancellation of Share/Debenture Certificate in Respect of Forfeited Shares/Debentures

59. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate/s originally issued in respect of the relative shares or debentures shall (unless the same shall on demand by the relative shares or debentures surrendered to it by the defaulting member or debenture holder) stand cancelled and become null and void and be of no effect, and the directors shall be entitled to issue a duplicate certificate/s in respect of the said share or debentures to the person/s entitled thereto.

Title of Purchaser and Allottee of Forfeited Shares/Debentures

60. The Company may receive the consideration, if any, given for the share or debenture on any sale, re-allotment or other disposition thereof, and the person to whom such share or debenture is sold, re-allotted or disposed of may be registered as the holder of the share or debenture and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share or debenture be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share or debenture.

Surrender of Shares or Debenture

61. The Directors may, subject to the provisions of the Act, accept a surrender of any share or debenture from or by any member or debenture holder desirous of surrendering them on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Transfer of Shares and Register of Share Transfer

62. The Company shall transfer securities only in dematerialized form in accordance with the provisions of the Act. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

Form of Transfer

63. The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all provisions of the Act and of any statutory modification thereof for the time being shall be duly complied within respect of all transfer of shares and the registration thereof.

Instrument of Transfer to be Executed by Transferor and Transferee

64. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.

Directors may Refuse to Register Transfer.

65. (a) Subject to the provision of Section 58 of the Act and subject to the provisions of Securities Contract (Regulations) Act, 1956 and the rules and regulations made there under, the Directors may, at their own absolute and uncontrolled discretion, decline by giving reasons to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Directors shall within 15 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Moreover, the Directors shall not register a transfer if any statutory prohibition or order prohibits a transfer or when a transferor objects to the transfer. In the event the Company does not effect transfer of securities within the stipulated 15 days or fails to communicate the refusal of the transfer/valid objection to the transfer within 15 days to the transferee, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of delay as specified under the Listing Regulations.
- (b) Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.

Transfer of Share

66. (a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (a) of this Article, the Company shall unless object is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.
- (c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.
- (d) Nothing in clause (c) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
- (e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

Custody of Instrument of Transfer

67. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register; shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine in compliance with

the applicable law.

Transfer Books and Register of Members when Closed

68. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

Transfer to Minors etc.

69. Only fully paid shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.

Title to Share of Deceased Holder

70. The executors or administrators of a deceased member (not being one or two or more joint holders) or the holder of a Succession Certificate or the legal representative of a deceased member (not being one or two or more joint holders) shall be the only persons whom the Company will be bound to recognize as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or the legal representatives unless they shall first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary and under Article 66 register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member.

71. **Nomination by securities holders**

- (1) Any holder of securities of a company may, at any time, nominate, in Form No. SH.13, any person as his nominee in whom the securities shall vest in the event of his death.
- (2) On the receipt of the nomination form, a corresponding entry shall forthwith be made in the relevant register of securities holders, maintained under Section 88.
- (3) Where the nomination is made in respect of the securities held by more than one person jointly, all joint holders shall together nominate in Form No.SH.13 any person as nominee.
- (4) The request for nomination should be recorded by the Company within a period of two months from the date of receipt of the duly filled and signed nomination form.
- (5) In the event of death of the holder of securities or where the securities are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either-
 - (a) to register himself as holder of the securities; or
 - (b) to transfer the securities, as the deceased holder could have done.
- (6) If the person being a nominee, so becoming entitled, elects to be registered as holder of the securities himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased share or debenture holder(s).
- (7) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of securities shall be applicable to any such notice or transfer as aforesaid as if the death of the share or debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.
- (8) A person, being a nominee, becoming entitled to any securities by reason of the death of the holder shall be entitled to the same dividends or interests and other advantages to which he would have been entitled to if he were the registered holder of the securities except that he shall not, before being registered as a holder in respect of such securities, be entitled in respect of these securities to exercise any right conferred by the membership in relation to meetings of the company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the securities, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends or interests, bonuses or other moneys payable in respect of the securities, as the case may be, until the requirements of the notice have been complied with.
- (9) A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such

cancellation or variation, to the company in Form No. SH.14.

- (10) The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received by the company.
- (11) Where the nominee is a minor, the holder of the securities, making the nomination, may appoint a person in Form No. SH. 14 specified under sub-rule (1), who shall become entitled to the securities of the company, in the event of death of the nominee during his minority.

72.

Dematerialisation of Securities

- i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.
- a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.
- b. Option for Investors: Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.
If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security
- c. Securities in Depository to be in fungible form: -
- o All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
 - o Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.
- d. Rights of Depositories & Beneficial Owners: -
Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.
- e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.
- ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.
- iii. Nothing contained in Section 56 of the Companies Act shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.

vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Registration of Persons Entitled to Share Otherwise than by Transfer

73. (a) Subject to the provisions of Article 79 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.
- (b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Claimant to be Entitled to Same Advantage

74. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within ninety days , the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

Persons Entitled May Receive Dividend without being Registered as Member

75. (a) A person entitled to a share by transmission shall, subject to the rights of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share/debenture.
- (b) This Article shall not prejudice the provisions of Article of 48 and 59.

Refusal to Register Nominee

76. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, The Directors shall have the same right to refuse on legal grounds to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. However, the Company must ensure that the transmission requests for processed within 7 days and 21 days for dematerialized and physical securities, respectively.

Directors may require Evidence of Transmission

77. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified or until or unless an Indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

No Fees on Transfer or Transmission

78. No fee shall be charged for registration of transfer, probate, succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other documents.

The Company not liable for Disregard of a Notice Prohibiting Registration of Transfer

79. The Company shall incur no liability, or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner

there or (as shown or appearing in the Register of members) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

Not more than Four Persons as Joint Holders

80. The Company shall be entitled to decline to register more than four persons as the holder of any shares.

The provisions of these Articles shall *mutatis mutandis* apply to the transfer or transmission by operation of law of debenture of the Company.

JOINT HOLDERS

Joint Holders

81. Where two or more persons are registered as the holders of any share /debenture, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.

- (i) In the case of a transfer of share/ debenture held by joint holders, the transfer will be effective only if it is made by all the joint holders.
 - (ii) The Joint holder of any share/debenture shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share/debenture.
 - (iii) On the death of anyone or more of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share/debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on share/debentures held by him jointly with any other person.
 - (iv) Any one of such joint holders may give effectual receipts of any dividends, interest or other moneys payable in respect of such share/debenture.
 - (v) Only the person whose name stands first in the Register of Members/Debenture holders as one of the joint holders of any share/debentures shall be entitled to the delivery of the certificate relating to such share/debenture or to receive notice (which expression shall be deemed to include all documents as defined in Article (2) (A) hereof and any document served on or sent to such person shall be deemed service on all the joint holders.
 - (vi) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that joint holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by Attorney or proxy although the name of such joint holder present by an Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.
- (b) Several executors or administrators of a deceased member in whose (i.e. the deceased member's) sole name, any share stands, shall for the purpose of this clause, be deemed joint holders.

Borrowing Powers

82. Subject to the provisions of Section 73, 179, 180 of the Act and of these Articles and subject to any restriction imposed by Reserve Bank of India, Board of Directors, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company, its free reserves and securities premium (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time the Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be paid or effectual unless the tender or proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

Bonds, Debentures etc. to be subject to control of Directors.

83. Any bonds, debentures, debenture-stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

Power to issue shares at Discount

84. The Company can only issue sweat equity shares at Discount as per Section 54 of the Act.

Debentures with voting rights not to be issued

85. (a) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business.
- (b) Certain charges mentioned in Section 77 of the Act shall be void against the liquidators or creditors unless registered as provided in Section 77 of the Act.
- (c) The term 'charge' shall include mortgage in these Articles.
- (d) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree or specific performance.

Limitation of Time for Issue of Certificate

86. The Company shall, within six months after the allotment of any of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and deliver the Certificate of all the debentures and the Certificate of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide.

The expression 'transfer' for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

Right to Obtain Copies of and Inspect Trust Deed

87. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of Rs. 10/- (Rupees Ten) for each Page of the copy of any Trust Deed.
- (ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.
- (iii)

Mortgage of Uncalled Capital

88. If any uncalled capital of the Company is included in or charged by any mortgage or other security

the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

Indemnity May be given

89. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Registration of Charges

90. (a) The provisions of the Act relating to registration of charges shall be complied with.
- (b) In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.
- (c) Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.
- (d) Where any charge on any property of the Company required to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.
- (e) Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

(f)

Trust not Recognized

91. No notice of any trust, express or implied or constructive, shall be entered on the register of *Debenture* holders.

GENERAL MEETINGS

Annual General Meeting

92. Subject to the provisions contained in Section 96 and 129 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Time and Place of Annual General Meeting

93. Every annual general meeting shall be called at any time during business hours that is between 9 am to 6 pm, on a day that is not a National Holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the meeting shall specify it as the annual general meeting.

Section 101 to 109 of the Act shall apply to Meeting

94. Sections 101 to 109 of the Act with such adaptation and modifications, if any as may be prescribed, shall apply with respect to meeting of any class of members or debenture holders of the Company in like manner as they would with respect to general meetings of the Company.

Powers of Directors to Call Extraordinary General Meeting

95. The Directors may call an extraordinary general meeting of the Company whenever they think fit. If at any time Directors capable of acting who are sufficient in number to form a quorum, are not within India, any Director or any two (2) members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board of Directors.

Calling of Extra Ordinary General Meeting on requisition

96. (a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extra-ordinary general meeting of the Company.
- (b) The requisition shall set out the matters for the considerations of which the meeting is to be called, shall be signed by requisitionists, and shall be deposited at the registered office of the company.
- (c) The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.
- (e) Where two or more distinct matters are specified in the requisition the provisions of clause (a) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (f) If the Board does not, within twenty-one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of requisition.

Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a special Resolution, be deemed not have duly convened the meeting if they do not give such notice thereof as is required by Section 114 of the Act.

- (g) A meeting, called under Clause (f) above, by the requisitionists or any of them:
- (i) shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board; but
- (ii) shall not be held after the expiration of three months from the date of the deposit of the requisition.

Explanation: Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.
- (i) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Length of Notice for Calling Meeting

97. (a) A general Meeting of the Company may be called by giving not less than clear twenty-one days'

notice in writing or through electronic mode in such manner as may be prescribed by the Central Government.

- (b) A General Meeting of the Company may be called after giving shorter notice than that specified in clause(a) if consent is accorded thereto:

(i) in the case of an Annual General Meeting, by not less than ninety-five per cent. of the Members entitled to vote thereat; and

(ii) in the case of any other general meeting, by Members holding majority in number of Members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the Company as gives a right to vote at the meeting;

Provided that where any members of the Company are entitled to vote only on such resolution or resolution to be moved at the meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.

Contents and Manner of Service of Notice and Persons on whom it is to be served.

98. (a) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted there at.

- (b) Notice of every meeting of the Company shall be given:

- (i) to every member of the Company, in any manner authorized by Section 20 of the Act;
- (ii) to the persons entitled to a share in consequence of a death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;
- (iii) to the auditor or Auditors for the time being of the Company in any manner authorized by Section 20 of the Act in the case of any member or members of the Company; and
- (iv) to all the Directors of the Company,

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered Office of the Company under Section 20 of the Act, the statement of the material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

- (c) The accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the Meeting.

Explanatory Statement to be Annexed to Notice

99. (A) For the purpose of this Article:

- (i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to-
- (a) the consideration of the financial statements and the reports of the Board of Directors and auditors.
- (b) the declaration of a dividend.
- (c) the appointment of directors in the place of those retiring, and
- (d) the appointment of, and the fixing of the remuneration of, the auditors, and

(ii) in the case of any other meetings, all business shall be deemed special.

- (B) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern of interest, if any, therein of every promoter, Director, the manager, if any, and of every other Key Managerial Personnel as required under Section 102 of the Act.

Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other Company, the extent of shareholding interest in that other Company of any such person shall be set out in circumstances specified in the provision to sub-section (2) of section 102 of the Act.

- (C) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.

Quorum for Meeting

100. (a) In accordance with Section 103, the quorum for a General Meeting of the Company shall be as under:
- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand;
 - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - (iii) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.
- (b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand cancelled.
- (ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- (c) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

Adjourned Meeting to Transact Business

101. (a) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.
- (b) where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Chairman of General Meeting

102. (a) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.
- (b) (i) The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, if there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Director present may choose one of themselves to be the Chairman and in default of their doing so, the members present shall be willing to take the Chair, the members present shall choose one of themselves to be the Chairman.
- (ii) If at any meeting a quorum of members shall be present, and the Chair shall not be taken by the Chairman or Vice-Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.

- Chairman with Consent may adjourn the Meeting**
103. The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place in the city, town or village where the registered office of the Company is situated.

- Business at the Adjourned Meeting**
104. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- Notice of Adjourned Meeting**
105. In case of adjournment of a meeting or of a change of day, time or place of meeting under, the Company shall give not less than three days' notice to the members.

PROXIES

- Proxies**
106. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holder, all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting.
- (b) A proxy shall not be entitled to vote except on a poll.
- (c) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights:
- Provided that a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- (d) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and ` is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.
- (e) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty-eight) hours before the meeting in order that the appointment may be effective thereat.
- (f) The instrument appointing a proxy shall:
- (i) be in writing, and
- (ii) Be signed by an appointer or his attorney duly authorized in writing or, if the appointer is a body corporate, by under its seal or be signed by an officer or any attorney duly authorized by it.
- (g) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in usual common form or in such other form as the Directors may approve from time to time.
- (h) An instrument appointing a proxy, if in any of the forms set out in to the Companies (Management and Administration) Rules 2014 shall not be questioned on the ground that it fails to comply with any special requirement specified for such instrument by these Articles.
- (i) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.

- (j) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

E-VOTING

107. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.

VOTES OF MEMBERS

108. Subject to any rights or restrictions for the time being attached to any class or classes of shares and in the manner prescribed under the Act and the rules made thereunder:
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to the member's share in the paid –up equity share capital of the Company.

109. **Voting by Poll**

- (a) Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf. The Company shall comply with the procedure as regards voting by poll as may be prescribed under the Act and rules and regulations made thereunder.
- (b) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Restrictions on Exercise of Rights of Members who have not paid Calls etc.

110. (a) No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.
- (b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 89 of the Act.

Restriction on Exercise of Voting Right in Other cases to be void

111. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 110.

Equal Rights of Share Holders

112. Any shareholder whose name is entered in the Register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

Service of Notice, Reports, Documents and other communications by electronic mode.

113. Notwithstanding anything mentioned in these Articles, the Company may send any communication including notice of general meeting, annual report etc. to any persons by electronic mode as may be permitted under applicable laws.

Voting rights of members of unsound mind and minors

114. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or any one of his guardians or, any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

Votes in respect of Shares of Deceased or Insolvent Members etc.

115. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Custody of Instrument

116. If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for voting at meeting of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Validity of Votes given by Proxy notwithstanding Death of Members etc.

117. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the votes is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the meeting or adjourned meeting.

Time for Objections for Vote

118. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purposes or such meeting or poll whatsoever.

Chairman of any Meeting to be the Judge of any Vote

119. (a) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
(b) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

Representation of Body Corporate

120. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Act authorize such person by a resolution of its Board of directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Representation of the President of India or Governors

121. (a) The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.
(b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.
(c) The Company shall observe the provisions of Section 112 of the Act, in regards to the Public Trustee.

122.

PASSING RESOLUTIONS BY POSTAL BALLOT

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the

General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

Circulation of Members Resolution

123. The Company shall comply with provisions of Section 111 of the Act, relating to circulation of members resolutions.

Special Notice

124. In pursuance of Section 115 of the Act, where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

Resolution Passed at Adjourned Meeting

125. The provisions of Section 116 of the Act shall apply to resolution passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of Resolutions and Agreements

126. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

Minutes of Proceedings of General Meeting and of Board and Other Meetings

127. (a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot, entries thereof in books for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:
- i. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - ii. In the case of minutes of proceedings of the general meetings by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes of the meeting.

- (i) the names of the Directors present at the meetings, and
 - (ii) In the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (g) Nothing contained in Clause (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
- (i) is, or could reasonably be regarded, as defamatory of any person.
 - (ii) is irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interests of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusions of any matter in the minutes on the grounds specified in this clause.

- (h) The minutes of meetings kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein.
- (i) The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

Presumptions to be Drawn where Minutes duly drawn and Signed.

128. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

Inspection of Minutes Books of General Meetings.

129. (a) The books containing the minutes of the proceedings of any general meeting of the Company shall:
- (i) be kept at the registered office of the Company, and
 - (ii) be open, during 11:00 am to 1:00 pm to the inspection of any member without charge and by any other person on payment of fee of Rupees 50/- for each inspection, subject to such reasonable restrictions as the Company may, in general meeting impose.
- (b) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- for each page.

Publication of Reports of Proceedings of General Meetings

130. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Report on annual general meeting.

131. The Company shall prepare a report on each annual general meeting including the confirmation to the effect that the meeting was convened, held and conducted as per the provisions of the Act and the rules made thereunder, and shall file the same with the Registrar within thirty days of the conclusion of the annual general meeting

132. **Management of Subsidiaries and Group Companies**

The Board shall be responsible for compliance with all applicable law, regulations, rules and guidelines as well as the Listing Regulations in relation to the obligation of the Company towards the governance and management of its subsidiaries and group companies.

MANAGERIAL PERSONNEL

Managerial Personnel

133. (a) Subject to the provisions of the Act, a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board of Directors for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (b) Any provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
- (c) The Company shall duly observe the provisions of Section 196 and Section 203 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

Remuneration of key managerial personnel

134. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

Board of directors

135. Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act. The Board shall have the power of appoint the Chairman. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations.

First Directors

136. The First Directors of the Company are:
1. Kalandan Abdul Razak
 2. Kalandan Mohammed Haris; and
 3. Mohammed Althaf Kalandan

Debenture Directors

137. Any Trust Deed for securing debentures of debenture-stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person or persons to be a Director or Directors of the Company and may empower such Trustees or holders of Debentures or debenture-stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so appointed under this Article is herein referred to as “**Debenture Director**” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Nominee Director

138. The Board may appoint any person as a director nominated by any institution, in pursuance of the provisions of any law for the time being in force or of any agreement to which the Company is a party or by the Central Government or the State Government(s) by virtue of its shareholding in the Company and such person or persons or Directors is / are hereinafter referred to as “Nominee Director/s”, on the Board of the Company and such persons may be remove from such office any person or persons “so appointed and to appoint any person or persons” in his or their place/s. The Board may also agree that any such Nominee Director, or Nominee Directors may be removed from time to time by the institution/Central Government/State Government(s) entitled to appoint or nominate them and such institution/Central Government/State Government(s) may appoint another

or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever.

At the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of such institution/Central Government/State Government(s) such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to such institution or so long as such institution holds Debentures in the Company as a result of direct subscription or private placement or so long as such institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee the moneys owing by the Company to such institution is paid off.

The Nominee Director/s appointed under this Article will be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. Such institution/Central Government/State Government(s) shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to such institution/Central Government/State Government(s) and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s). Any expenses that may be incurred by such institution/Central Government/State Government(s) or such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to such institution/Central Government/State Government(s) or as the case may be to such Nominee Directors.

Provided that if any such Nominee Director is an officer of such institution/Central Government/State Government(s) the sitting fees, in relation to such Nominee Director shall also accrue to such institution and the same shall accordingly be paid by the Company directly to such institution/Central Government/State Government(s).

Special Director

139. (a) In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such Company, Corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or any time thereafter.
- (b) The Collaborator may at any time and from time to time remove any such Special Director appointer by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.
- (c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Director as the Collaborators eligible to make the appointment.

Limit on Number of Non-Retiring Directors

140. Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 137, 138 and 139 shall not exceed in the aggregate one-third of the total number of Directors, excluding Independent Directors, for the time being in office.
141. **Appointment of Independent Director**
Subject to the provisions of Section 149 (6) of the Act, Board of Directors shall have power at any time to appoint any person as an Independent Director to the Board. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Listing Regulations.
142. **Appointment of Whole-Time Director**
Subject to the provisions of Section 152 of the Act, Board of Directors shall have power at any time to appoint any person as an Whole-Time Director to the Board
- Appointment of Alternate Director**
143. The Board may appoint an alternate Director not being a person holding any alternate directorship for any other directors in the Company or holding directorship in the Company, to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. An alternative Director so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he had been appointed and shall vacate if and when the Original Director returns to India.
- Appointment of Additional Director**
144. Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be eligible for reappointment.
145. **Appointment of Women Director**
The Company shall have such number of Woman Director on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable.
- Appointment of Director to fill the Casual Vacancy.**
146. Subject to the provisions 161 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
- Individual Resolution for Director Appointment**
147. At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.
- Qualification of Director**
148. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

Remuneration of Directors

149. (a) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:
- (i) by way of monthly, quarterly or annual payment, or
- (ii) by way of commission if the Company by a special resolution has authorized such payment
- (c) Every Director shall be paid such amount of remuneration by way of fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time, as may be determined by the Board for each meeting of the Board or Committee thereof attended by him.
- (d) The Board shall recommend the fees/compensation to be paid to non-executive directors including independent directors. Such fees/compensation shall also be approved by the shareholders of the Company in a general meeting. However, such approval will not be required in case of sitting fees paid to non-executive directors which are within the limits prescribed under the Act and for which no Central Government approval is required. In terms of Section 149 (9) of the Act, if the Company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197 of the Act, in accordance with the provisions of Schedule V of the Companies Act, 2013.

Traveling and Other Expenses

150. The Board may allow and pay to any Director for the purpose of attending a meeting such sum either as fixed allowance and/or actual as the Board may consider fair compensation for traveling, board and lodging and incidental and/or actual out of pocket expenses incurred by such Director in addition to his fees, for attending such meeting to and from the place at which the meetings to and from the place at which the meetings of the Board Committees thereof or general meetings of the Company are held from time to time or any other place at which the Director executes his duties.

Remuneration for Extra Services

151. If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company and in that event the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under Section 197 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

Increase in Remuneration of Directors to require Government Sanction

152. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

Director Not to Act when Number Falls Below Minimum

153. When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

Eligibility

154. A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 164 of the Act.

Directors Vacating Office

155. (a) The office of a Director shall be vacated if:
- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
 - (ii) he applied to be adjudicated an insolvent;
 - (iii) he is adjudicated an insolvent;
 - (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
 - (v) he fails to pay any call-in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
 - (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
 - (vii) he is removed in pursuance of Section 169 of Act;
 - (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
 - (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
 - (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

(b) **Resignation of Directors**

A Director who holds office or other employment in the company shall, when he resigns his office, provide a notice in writing to the company.

Removal of Directors

156. (a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or Special Directors or Debenture Directors or a Nominee Director or a director appointed by the Central Government in pursuance of Section 242 of the Act, before the expiry of his period of office.
- (b) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it do so:
- (i) In the notice of the resolution given to members of the Company state the fact of representations having been made, and
 - (ii) send a copy of the representation to every member of the Company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be provided orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court.

- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Section 161 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (f) if the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 161 of the Act, and all the provisions of that Section shall apply accordingly;
- (g) Nothing contained in this Article shall be taken:
 - (i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - (ii) as derogating from any power to remove a Director which may exist apart from this Article.
- (h) The Company shall take steps to fill the vacancy caused by the resignation/removal of an independent director by replacing such independent director with a new independent director within three months of the occurrence of such vacancy or at the immediate next meeting of the of the Board, whichever is later or as may otherwise be prescribed by the Listing Regulations.

Directors may Contract with Company

157. Subject to the restrictions imposed by these Articles and by Section 179, 180, 185, 186, 188, 189, 196 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, managing director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall be Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with provisions or Section 184 of the Act where that section be applicable.

Disclosure of Directors' Interest

158. (1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern of interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.
- (2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested.
- (b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (3) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.

Board Resolution necessary for Certain Contracts

159. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders as applicable, in terms of the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the Company, shall not enter into any contract with a Related Party

- a. for the sale, purchase or supply of any goods, materials or services; or
 - b. selling or otherwise disposing of, or buying, property of any kind;
 - c. leasing of property of any kind;
 - d. availing or rendering of any services;
 - e. appointment of any agent for purchase or sale of goods, materials, services or property;
 - f. such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
 - g. underwriting the subscription of any securities or derivatives thereof, of the Company;
- (2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis or affect transactions entered into between the Company and its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the Shareholders at a Shareholders Meeting for approval
 - (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board or the approval of shareholders of the Company as required under the Act, into any contract with the Company; but in such a case the consent of the Board or the approval of shareholders of the Company as required under the Act as the case may be, shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act.
 - (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
 - (5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be avoidable at the option of the Board.
 - (6) The audit committee of the Board may provide for an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed by applicable law.

Disclosure to the Members of Appointment of Manager, Whole-Time Directors, Managing Director or Secretaries and Treasurers

160. (a) The company shall keep a copy of contract of service with managing or whole-time director in writing. Where the contract is not in writing, a written memorandum setting out terms of contract shall be kept.
- (b) The copies of the contract or the memorandum shall be open to inspection by any member of the company without payment of fee.

Loans to Director etc.

161. (a) Save as otherwise provided in the Act, the Company shall not, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by,-
- (a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or
 - (b) any firm in which any such director or relative is a partner
- (b) The Company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the Company is interested, subject to the condition that—
- (i) a special resolution is passed by the company in general meeting:
Provided that the explanatory statement to the notice for the relevant general meeting shall disclose the full particulars of the loans given, or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security and any other relevant fact; and
 - (ii) the loans are utilised by the borrowing company for its principal business activities

- (c) However, nothing contained in this Article 161 (a) and (b) shall apply to -
- (a) giving of any loan to the managing or whole-time director—
 - (i) as a part of the conditions of service extended by the company to all its employees; or
 - (ii) pursuant to any scheme approved by the members by a special resolution; or
 - (b) in the ordinary course of its business provide loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan.
 - (c) any loan made by the Company to its wholly owned subsidiary company or any guarantee given or security provided by the Company in respect of any loan made to its wholly owned subsidiary company; and
 - (d) any guarantee given or security provided by the Company in respect of loan made by any bank or financial institution to its subsidiary company.
- Provided that the loans made under clauses (c) and (d) are utilised by the subsidiary company for its principal business activities

Loans to Companies

162. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security directly or indirectly to the Companies or bodies corporate as provided in Section 186 of the Act, exceeding sixty per cent. of its paid-up share capital, free reserves and securities premium account or one hundred per cent. of its free reserves and securities premium account, whichever is more.

Interested Director not to Participate or vote in Board's Proceedings

163. No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned, or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote on any contract of indemnity against any loss which it or any one of more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of one company or two or more of them together holds or hold not more than two percent of the paid up share capital of the other company

This Article is subject to the provisions of Section 184 of the Act.

Register of Contracts in which Directors are interested

164. The Company shall keep one or more Registers in which it shall be entered separately particulars of all contracts and arrangements to which Sections 184 and 188 of the Act apply.

ROTATION AND APPOINTMENT OF DIRECTORS

Director may be Director of Companies Promoted by the Company

165. A Director may be or become a Director of any Company or which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197) or Section 188 of the Act may be applicable.

Subject to provisions of Section 152 of the Act, not less than two thirds of the total number of Directors shall:

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and
- (b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.

The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.

Ascertainment of Directors Retiring by Rotation and Filling up Vacancy

166. (a) At every annual general meeting one-third of such directors for the time being as are liable to retire

by rotation, or if their number is not three or multiple of three, then the number nearer to one-third, shall retire from office.

The Debenture Directors, Corporate Directors, Special Directors, Independent Directors, and Managing Director if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. Thus, Whole time Directors shall be liable to retire by rotation. In these Articles a “Retiring Director” means a Director retiring by rotation.

- (b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. A Retiring Director shall be eligible for re-election.
- (c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- (d) I. if the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- II. if at the adjourned meeting also, the place of the retiring Director is not filled up and that the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-
 - a) At that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
 - b) The retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;
 - c) He is not qualified or is disqualified for appointment;
 - d) A resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act, or
 - e) The proviso to Section 162 of the Act is applicable to the case.

Consent of Candidates for Directorship to be Filed with the Registrar

167. Every person who is proposed as a candidature for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 152 of the Act in so far as they may be applicable.

Company may Increase or Reduce the Number of Directors or Remove any Director

168. Subject to the provisions of Sections 149, 151 and 152 of the Act, and these Articles the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

Appointment of Directors to be Voted individually.

169. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided that for the automatic re-appointment of retiring Director in default of another appointment as hereinabove provided shall apply.
- (3) For the purpose of this Article, a motion for approving a person’s appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

Notice of Candidature for Office of Directors Except in Certain Cases

170. (1) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with a deposit of One lakh Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of total votes cast.

Provided that requirements of deposit of amount shall not apply in case of appointment of an Independent Director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of Section 178 of the Act.

- (2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting. Provided that it shall not be necessary for the Company to serve individual notices on the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.
- (3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
- (4) A person, other than-
- (a) a Director, re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
 - (b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 160 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director

Register of directors and Notification of Change to Registrar

171. (1) The Company shall keep at its Registered Office a Register containing the particulars of its Directors and key managerial personnel and other persons mentioned in Section 170 of the Act which shall include the detail of securities held by each of them in the Company or its holding, subsidiary of Company's holding company or company and shall send to the Registrar a Return containing the particulars specified in such Register and shall otherwise comply with the provisions of the said Section in all respects.
- (2) Such Register shall be kept open for inspection by any member or debenture holder to the Company as required by section 171 of the Act.

Disclosure by Director of Appointment to any other Body Corporate

172. Every Director (including a person deemed to be a Director of the Company Managing Director, Key Managerial Personnel, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under Section 170 of the Act.

Disclosure by Directors of their Holdings of Shares and Debentures of the Company.

173. Every director and every person deemed to be a Director of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Meeting of Directors

174. (a) The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least four times in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.
- (b) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

Provided further that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means in such meeting on any matter specified under the aforementioned proviso.

- (c) Every director present at any meeting of the Board of Directors or a committee there of shall sign his name in a book to be kept for that purpose, to show his attendance there at

When Meeting to be Convened

175. Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

Directors Entitled to Notice

176. Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.

Appointment of Chairman

177. The Board may elect a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman of the Meeting, or if no Director has been so designated, the directors present may choose one of their number to be the Chairman of the meeting.

Board may Appoint Managing Director

178. (a) Pursuant to Section 203 of the Act, the Managing Director of the Company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
- (b) Any Managing Director or/s or whole time Director/s so appointed shall not be required to hold any qualification shares.
- (c) Subject to the provisions of Sections 196, 197, and 203 of the Act and also subject to the limitations, conditions and provisions of Schedule V to the Act, the appointment and payment of remuneration to the above Director/s shall be subject to approval of the members in general meeting and of the Central Government, if required.
- (d) Subject to the superintendence, control and direction of the Board, the day to day management of the Company shall be vested with the Managing Director/s or Whole-time Director/s Manager, if any, with Power to the Board to distribute such day to day management functions in any manner as deemed fit by the Board subject to the provisions of the Act and these Articles.

Meeting of Committee, how to be Governed

179. (a) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors.

- (b) A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be chairperson of the meeting.

Resolution by Circular

180. No Resolution by circular shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless such Resolution has been circulated in draft form, together with necessary papers, if any, to all the Directors, or to all the members for the Committee, as the case may be, at the respective addresses registered with the Company or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution and has been approved by the majority of the Directors or Members of the Committee or by a majority of such of them as are entitled to vote on the Resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board. A resolution by circular shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

Directors May Appoint Committees

181. The Board shall constitute such committees as may be required under the Act, applicable provisions of Law and the Listing Regulations. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

Acts of Board or Committee Valid Notwithstanding Defect of Appointment

182. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

POWER OF DIRECTORS

Certain Powers to be Exercised by the Board

183. (a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board –
- (i) to make calls on shareholders in respect of money unpaid on their shares;
 - (ii) to authorize buy-back of securities under Section 68 of the Act;
 - (iii) to issue securities, including debentures, whether in or outside India;
 - (iv) to borrow monies;
 - (v) to invest the funds of the Company;
 - (vi) to grant loans or give guarantee or provide security in respect of loans;
 - (vii) to approve financial statement and the Board's report;
 - (viii) to diversify the business of the Company;
 - (ix) to approve amalgamation, merger or reconstruction;

- (x) to take over a company or acquire a controlling or substantial stake in another company;
- (xi) to make political contributions;
- (xii) to appoint or remove key managerial personnel (KMP);
- (xiii) to appoint internal auditors and secretarial auditor;
- (xiv) such other business as may be prescribed by the Act and rules made thereunder

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (iv) to (vi) to the extent specified in clauses (b), (c) and (d) respectively on such conditions as the Board may prescribe.

- (b) Every resolution delegating the power referred to sub-clause (iv) of clause (a) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate,
- (c) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- (d) Every resolution delegating the power referred to in sub-clause (vi) of clause (a) shall specify the total amount up to which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual case.
- (e) Nothing in this article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i) to (x) of clause (a) above.

Restriction on Powers of Board

184. (a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting:
- (i) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company more than one undertaking of the whole or substantially the whole of any such undertaking;
 - (ii) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - (iii) borrow moneys, where the money to be borrowed, together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business; or
 - (iv) remit, or give time for the repayment of, any debt due from a director;
 - (v) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amount, the aggregate of which in any financial year, exceed five percent of its average net profits as determined in accordance with the provisions of Section 198 of the Act during the three financial years, immediately preceding, whichever is greater.
- (b) Nothing contained in sub-clause (a) above shall affect:
- (i) the title of a buyer or other person who buys or takes a lease of any property, investment or undertaking as is referred to in that clause in good faith and after exercising due care and caution, or
 - (ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, comprises such selling or leasing.

- (c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.
- (d) No debt incurred by the Company in exercise of the limit imposed by sub-clause (iii) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
- (e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) Section 180 of the Act and in regard to the limitations on the power of the Company contained in Section 181 of the Act.

185. **Directors May Appoint Committees**

Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit. A director shall not be a member of more than ten committees or act as a chairperson of more than five committees across all listed entities in which he is a director as determined by the Listing Regulations. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

186. **Acts of Board or Committee Valid Notwithstanding Defect of Appointment**

All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

General Powers of the Company Vested in Directors

187. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and not hereby or by the stature or otherwise directed or required to be exercise or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other and act and of the Memorandum of Association and these articles and to any regulations, but being inconsistent with the Memorandum of Association and these articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific Powers Given to Directors

188. Without prejudice to the general powers conferred by Article 187 and the other powers conferred by these presents and so as not in way to limit any or all of these powers, but subject however to provisions of the Act, it is hereby expressly declared that the Directors shall have following powers.

To pay Registration Expenses

- (i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation establishment and registration of the Company;
- (ii) To pay and charge to the capital account of the Company any interest lawfully payable thereon under the provisions of Section 40 of the Act;

To Acquire Property

- (iii) Subject to the provisions of the Act and these articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, or Company carrying on the business which this company is authorized to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may deliver or may be advised to be reasonably satisfactory.

To Purchase Lands, Buildings, Etc.

- (iv) Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

To Construct Buildings

- (v) To effect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purpose of the Company and to acquire lands for the purposes of the Company.

To Mortgage, Charge Property

- (vi) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit.

To Pay for Property Etc.

- (vii) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture-stocks or other securities of the Company, and any such shares stock of other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

To Insure

- (viii) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, store, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

To Open Accounts

- (ix) Subject to Section 179 of the Act, open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;

To Secure Contracts

- (x) To secure the fulfillments of any contracts of engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

To Attach to Shares such Conditions

- (xi) To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;

To Accept, Surrender, of Shares

- (xii) To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof subject to the provisions of the Act;

To appoint Attorney

- (xiii) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;

To Bring and Defend Actions

- (xiv) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

To Refer to Arbitration

- (xv) To refer, subject to the provisions of Section 180 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;

To Act on Insolvency Matters

- (xvi) To act on behalf of the company in all matters relating to bankrupts and insolvents;

To Give Receipts

- (xvii) To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 180 of the Act;

To Authorize Acceptance

- (xviii) To determine from time to time as to who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, dividend/interest warrants, release, contracts and documents on the Company's behalf;

To Invest Moneys

- (xix) Subject to the provisions of Sections 179, 180 and 186 of the Act, to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such shares, securities, or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or release such investments;

To Provide for Personal Liabilities

- (xx) To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants' and provisions as shall be agreed on;

To Give to Directors Etc. An Interest in Business

- (xxi) Subject to such sanction as may be necessary under the Act or the articles, to give to any Director, Officer, or other persons employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.

To Provide for Welfare of Employees

- (xxii) To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to payment by creating and from time to time subscribing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

To Subscribe to Charitable and Other Funds

- (xxiii) To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, object or purposes for any exhibition;

To Maintain Pension Funds

- (xxiv) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such Subsidiary Company, or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institutions, associations, clubs or funds collected to be for the benefit of or to advance the interest and well-being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid.
- (xxv) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.

To Create Reserve Fund

- (xxvi) Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares, debentures, or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Section 179 and 180 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which the Capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

To Appoint Officers Etc.

- (xxvii) The Board shall have specific power to appoint officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants.

To Authorize by Power of Attorney

- (xxviii) At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to the conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favor of any Company or the members, directors, nominees, or managers of any company or firm or otherwise in favor of an fluctuating body or person whether nominated, directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them.

To Authorize, Delegate

- (xxix) Subject to the provisions of the Act, generally and from time to time and at any time to authorize empower or delegate to (with or without powers of sub-delegation) and Director, Officer or Officers of Employee for the time for the time being of the Company and/or any other person, firm or Company all or any of the powers authorities and discretions for the time being vested in the

Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.

To Negotiate

- (xxx) To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

To make bye-laws

- (xxxix) From time to time to make vary any legal bye-laws for the regulations of the business of the Company, its officers and servants.

189. The Company shall provide the option to its shareholders to exercise their right to vote in meetings of the shareholders through electronic mode in accordance with Section 108 of the Act and shall vote only once.

Secretary

190. Subject to the provisions of Section 203 of the Act, the Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called 'the Secretary' who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

Seal

191. (I) The Board of Directors may provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.
- (II) The Seal shall never be used except by the authority, of the Directors or a committee of the Directors, previously given and every deed or other instrument to which a seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or by an officer duly authorized in that behalf by resolution of the Board, be signed by one Directors at least in whose presence the seal shall have been affixed, if any, provided nevertheless that the certificate of shares issued by the Company shall be sealed and signed as provided in the next following Article

Provided however that the certificates of shares shall be signed in the name manner as the certificates of the shares required to be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules 2014 and their statutory modification for the time being in force.

- (III) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends Out of Profits Only

192. (i) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of money provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in

that behalf. Provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded.

PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company propose to declare out of the accumulated profits by the Company in previous years and transferred by it to the free reserve, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf.

- (ii) The depreciation shall be provided to the extent specified in Schedule II to the Act.
- (iii) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.
- (iv) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (v) No dividend shall bear interest against the Company.

Interim Dividend

193. The Board of Directors may from time to time, pay to the members such interim dividends as appears to it to be justified by the profits of the company in accordance with Section 123 of the Act.

Debts May be Deducted

194. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Capital Paid Up in Advance and Interest Not to Earn Dividend

195. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to dividend or to participate in profits.

Dividends in Proportion to Amount Paid-Up

196. (a) Subject to the rights of the persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as having been paid on the share.
- (c) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion of the period in respect of which the dividends is paid but if any share is issued in terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

Right to Dividend, Right Shares and Bonus Shares to be held in Abeyance Pending Registration of Transfer of Shares

197. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall notwithstanding anything contained in any other provision of this Act, shall -

- (a) transfer the dividend in relation to such shares to the special account referred to in Section 123 unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
- (b) Keep in abeyance in relation to such shares any offer of rights shares under Section 62 and any issue of fully paid-up bonus shares in pursuance of Section 123.

No Member to receive Dividend whilst indebted to the Company and the Company's Right of Reimbursement Thereof

198. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such

share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

Effect of Transfer of Shares

199. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

Dividends How Remitted

200. The dividend payable in cash may be paid by cheque, direct credit to the beneficiaries bank account or warrant sent through post direct to the registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission or for any dividend lost, to the member of person entitled thereto by forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

Notice of Dividend

201. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Unpaid Dividend or Dividend Warrant Posted

202. (a) Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in the name of the Company and transfer to the said Account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund maintained by the Central Government under the Act. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholder to whom the money is due.
- (c) No unclaimed dividend shall be forfeited by the Board unless the claim becomes barred by law.

Dividends and call together

203. Any General Meeting declaring as dividend may on the recommendations of the Directors make a call on the Members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and members be set off against the calls.

Waiver of Dividend

204. Notwithstanding anything contained in these Articles, but subject to the provisions of the Companies Act, and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo in whole or in part of any dividend, their right to receive the dividend (interim or final) by them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, of their right to receive the dividend (interim or final) by them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone their right to receive the dividend (interim or final) by him/ them under this Article. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

CAPITALISATION

Capitalization

205. (a) Any general meeting may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account or any moneys, investment or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, form the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the Securities Premium Account and/or the Capital redemption Reserve Account) may be capitalized:
- The sum aforesaid shall not be paid in cash but shall be applied, either in or towards—
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (iv) for the purchase of its own shares or other securities subject to the provisions of Section 68 of the Act.
 - (v) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (b) Such issue and distribution under Sub-clause (a) (i) above and such payment to the credit of unpaid share capital sub-clause (a) (ii) above shall be made to, among and, in favor of the members of any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital;
- (c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.
- (d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture-stock; bonds or other obligations in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debenture, debenture-stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.
- (e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and in respect of the partly paid shares the sums so applied in the extinguishments or diminution of the liability on the partly paid shares shall be so applied *prorata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.
- (f) When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Accounts

206. The provisions of Sections 128 to 138 of the Act and the relevant accounting standards shall be complied with in so far as the same is applicable to the Company.

Books of Accounts to be kept

207. (a) The Company shall keep at its Registered Office proper books of accounts as required by Section 128 of the Act with respect to :

(i) All sums of money received and expected by the Company and the matters in respect of which the receipt and expenditure take place;

(ii) All sales and purchases of goods and services by the Company;

(iii) The assets and liabilities of the Company; and

(iv) The items of cost as may be prescribed under Section 148 of the Act and applicable to the Company.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarized returns made up to date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.

(c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid and explain the transactions.

(d) The books of account shall be open to inspection by any Director during business hours as provided by Section 128 of the Act.

(e) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.

Inspection by Members

208. The Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulation the account, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in general meeting.

Statement of Account to be furnished to General Meeting

209. The Board of Directors shall lay before each annual general meeting a Financial Statements for the financial year of the Company which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.

Financial Statement

210. (a) Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit.

(b) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

- (c) If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of Financial Statement

211. (a) The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- (b) The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon.

Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet.

212. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

Board's Report to be Attached to Financial Statement

213. (a) Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder.
- (b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest.
- (c) The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 211 and in accordance with the Listing Regulations, as applicable.
- (e) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with.
- (f) Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

Right of Members to copies of Financial Statement and Auditor's Report

214. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:
- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A copy of the Financial Statement etc. to be filed with Registrar

215. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

AUDIT**Financial Statement to be audited**

216. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

Appointment of Auditors

217. The Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 148 of the Act, alongwith the Rules made thereunder.

Audit of Branch Office

218. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government, in that behalf.

Auditors to have access to the Books of the Company

219. (a) The Auditor/s of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor/s.
- (b) All notice of and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company and the Auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part of the business which concerns him as Auditor.

Financial Statement When Audited and Approved to be Conclusive

220. Every Financial Statement when audited and approved by a General Meeting shall be conclusive except where it appears to the directors that—

- (a) the financial statement of the Company; or
(b) the report of the Board,

do not comply with the provisions of Section 129 or Section 134 they may prepare revised Financial Statement or a revised report in respect of any of the three preceding financial years after obtaining approval of the Court or Tribunal as applicable on an application made by the Company in such form and manner as may be prescribed by the Central Government and a copy of the order passed by the Court or the Tribunal as applicable shall be filed with the Registrar:

Authentication of Documents and Proceedings

221. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Key Managerial Personnel or an officer or an employee of the Company duly authorized by the Board in this behalf and need not be under its Seal.

DOCUMENTS AND NOTICES**Service of Documents on Members by the Company**

222. (i) A document or notice may be served by the Company on any member thereof either personally or by sending it, by registered post or speed post or by courier service or electronic means or such other modes as may be prescribed under the Act from time to time, to him at his registered address or if he has no registered address in India, to the address if any, within India, supplied by him to the Company for serving documents or notices to him
- (ii) Where a document or notice is sent by post or courier service:
- (a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the

Company in advance that documents should be sent to him by specified manner and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be affected unless it is sent in the manner intimated by the members; and

(b) Such service shall be deemed to have been affected:

- (i) In the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and
 - (ii) in any other case at the time at which the letter would be delivered in the ordinary course of post.
 - (iii) A document or notice advertised in a newspaper circulation in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
 - (iv) A document or notice may be served by the Company on the joint holders of a share by serving it to the joint holder named first in the Register in respect of the share.
- (iii) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter, addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- (iv) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

To Whom Documents must be Served or Given.

223. Document of notice of every general meeting shall be served or given in the same manner herein before authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, c) directors and (d) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulation in the neighborhoods of the office of the Company under Article 98, a statement of material facts, referred to in Article 99 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Members Bound by Documents or Notice Served on or Given to Previous Holders

224. Every person, who by operation of law, transfer or other means whatsoever, has become entitled to share shall be bound by every document or notice in respect of such share which prior to his name and address being entered on the Register of Members, shall have duly served on or given to the person from whom he derived his title to such share.

Service of Documents on Company

225. A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Registered Post or by speed post or by courier services or by electronic means or by leaving it at its Registered Office or such other modes as may be prescribed under the Act from time to time.

Service of Documents by Company on the Registrar of Companies

226. Subject to provisions in the Act, a document may be served on the Registrar of Companies by sending it to him at his office by Registered Post, or speed post or by courier services or by delivering it to or leaving it for him at his office or address or by such electronic or other mode as may be prescribed under the Act from time to time.

REGISTERS AND DOCUMENTS

Registers and Documents to be Maintained by the Company

227. The Company shall keep and maintain Registers, Books and documents as required by the Act or these Articles.

Maintenance and inspection of documents in electronic form

228. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,

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- (a) Required to be kept by a company; or
 - (b) Allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by central government by the Central Government.

Inspection of Registers

229. Subject to provisions of the Act and the provisions in the Articles, the Registers maintained under the Act and the minutes of all proceedings of General Meetings shall be open to inspection during any working day during business hours and extracts may be taken there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company i.e., by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of fee of Rupees 50/- for each inspection. Subject to provisions of the Act and the provisions in the Articles, the copies of entries in the Registers maintained under the Act shall be furnished to the persons entitled to the same on payment of Rs. 10/- for each page. .

OPERATION OF BANK ACCOUNT

All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board of Directors may, from time to time, by resolution determine.

WINDING UP

Distribution of Assets

230. (a) Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.

(b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.

Distribution in Specie or Kind.

231. Subject to the provisions of the Act:

(a) If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.

(b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right; if any

to dissent and ancillary rights as if such determination were a special resolution, pursuant to Section 494 of the Companies Act, 1956 or Section 319 of the Companies Act as applicable at the time of application.

- (c) In case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution but notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.

SECURITY CLAUSE

Secrecy Clause

232. (a) Every Director, Key Managerial Personnel, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties sign a declaration pleading himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of the accountants with individuals and in matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

INDEMNITY AND RESPONSIBILITY

Directors and Others Right to Indemnity

233. Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

Director and Other Officers Not Responsible for the Acts of Others

234. Subject to the provisions of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the nominees of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties or in relation thereto, unless the same happens through his own dishonesty.

An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which

had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

SOCIAL OBJECTIVE

235. **Social Objective**

The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

236. **General Power**

Where any provisions of the said Act or the Rules or any other applicable laws provide that the Company shall do such act, deed, or thing or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf

SECTION IX: OTHER INFORMATION

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 Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Draft Red Herring Prospectus which will be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other Applicable Law.

A. Material Contracts for the Issue

- Issue Agreement dated March 10, 2022 entered into between our Company and the BRLM.
- Registrar Agreement dated March 10, 2022 entered into amongst our Company and the Registrar to the Issue.
- Tripartite Agreement dated December 30, 2021 between our Company, NSDL and the Registrar to the Issue
- Tripartite Agreement dated December 30, 2021 between our Company, CDSL and the Registrar to the Issue
- Escrow and Sponsor Bank Agreement dated [●] amongst our Company the BRLM, Syndicate Member, Escrow Collection Banks, Sponsor Bank and the Registrar to the Issue.
- Syndicate Agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members.
- Underwriting Agreement dated [●] amongst our Company and the Underwriters.

B. Material Documents

- Certified copy of the updated Memorandum of Association and Articles of Association of our Company.
- Certificate of incorporation dated November 04, 2010.
- Fresh certificate of incorporation dated December 02, 2019 consequent upon conversion from private company to public company.
- Fresh certificate of incorporation dated August 06, 2021 consequent upon change of name from Mukka Sea Food Industries Limited to Mukka Proteins Limited.
- Resolution of the Board of Directors dated February 25, 2022, in relation to the Issue.
- Shareholders' resolution dated February 28, 2022, in relation to the Issue.
- Resolution of the Board of Directors dated March 18, 2022 approving this Draft Red Herring Prospectus.
- The examination reports dated March 16, 2022 of the Statutory Auditor, on our Company's Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus.
- Copies of the annual reports of our Company for the Fiscals 2019, 2020 and 2021.

- Statement of Tax Benefits dated March 16, 2022 from the Statutory Auditor included in this Draft Red Herring Prospectus.
- Consent of the Promoters, Chairman & Directors, BRLM, Syndicate Members, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Chief Operating Officer as referred to in their specific capacities.
- Consent dated March 16, 2022, from the statutory & peer review auditor, M/s. Shah & Taparia, Chartered Accountants, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) Restated Consolidated Financial Statements and their examination report dated March 16, 2022 on the Restated Financial Statements; and (ii) the statement of tax benefits dated March 16, 2022 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus;
- Consent from CRISIL dated March 15, 2022 issued for inclusion of their name and to reproduce the industry report titled “*Assessment of Fish Meal and Fish Oil Processing Industry in India*” dated March 11, 2022 in the Draft Red Herring Prospectus.
- Due Diligence Certificate dated March 18, 2022 addressed to SEBI from the BRLM.
- In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
- SEBI final observation letter number [●] dated [●].
- Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 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 Draft Red Herring Prospectus 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 Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Name and Designation	Signature
Karkala Shankar Balachandra Rao <i>Chairman & Non-Executive Independent Director</i>	sd/-
Kalandan Mohammed Haris <i>Managing Director & Chief Executive Officer</i>	sd/-
Kalandan Mohammed Althaf <i>Whole Time Director and Chief Financial Officer</i>	sd/-
Kalandan Mohammad Arif <i>Whole Time Director & Chief Operating Officer</i>	sd/-
Kalandan Abdul Razak <i>Non-Executive Director</i>	sd/-
Umaiyya Banu <i>Non-Executive Director</i>	sd/-
Hamad Bava <i>Non-Executive Independent Director</i>	sd/-
Narendra Surendra Kamath <i>Non-Executive Independent Director</i>	sd/-

SIGNED BY THE KEY MANAGERIAL PERSONNEL OF THE COMPANY

Name and Designation	Signature
Mehaboobsab Mahmadvous Chalyal <i>Company Secretary and Compliance Officer</i>	sd/-

Date: March 18, 2022

Place: Mangaluru