



# KN AGRI RESOURCES LIMITED

(Formerly known as Itarsi Oils & Flours Private Limited)

Our Company was originally incorporated as "Itarsi Oils & Flours Private Limited" on January 30, 1987 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Madhya Pradesh, Gwalior. Pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 04, 2021, the name of our Company was changed from "Itarsi Oils & Flours Private Limited" to "KN Agri Resources Private Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Chhattisgarh vide letter dated October 26, 2021. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 07, 2021, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "KN Agri Resources Private Limited" to "KN Agri Resources Limited" vide a fresh certificate of incorporation dated November 22, 2021 issued by the Registrar of Companies, Chhattisgarh. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 130 of the Red Herring Prospectus dated March 07, 2022 filed with Registrar of Companies (RoC).

**Registered Office:** K.N. Building, Subhash Road, Ramsagarpara, Raipur 492001, Chhattisgarh, India. **Tel No:** +91-771-2293706-08. **Corporate Office:** B1-506, Marathon Innova, Opp. Peninsula Corporate Park, Lower Parel, Mumbai 400 013, Maharashtra, India. **Contact Person:** Mr. Akshat Sharma, Company Secretary & Compliance Officer, **Tel No:** +91-22-43541100; **E-mail:** info@knagri.com; **Website:** www.knagri.com; **CIN:** U15141CT1987PLC003777

## OUR PROMOTERS: VIJAY SHRISHRIMAL, SANJAY SHRISHRIMAL, DHIRENDRA SHRISHRIMAL, K.N. RESOURCES PRIVATE LIMITED, ANANT TRAFINA PRIVATE LIMITED AND ANANT COUNTER TRADE PRIVATE LIMITED

### THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 65,84,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH (THE "EQUITY SHARES") OF KN AGRI RESOURCES LIMITED ("OUR COMPANY" OR "KNARL" OR "THE ISSUER") AT AN ISSUE PRICE OF Rs. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO Rs. [●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH 3,32,800 EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH, AT AN ISSUE PRICE OF Rs. [●] PER EQUITY SHARE FOR CASH, AGGREGATING Rs. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 62,51,200 EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH, AT AN ISSUE PRICE OF Rs. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO Rs. [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.34% AND 25.01% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE**  
**RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE**  
**NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE**  
**MARKET MAKER PORTION: UPTO 3,32,800 EQUITY SHARES OR 5.05% OF THE ISSUE**

**PRICE BAND: RS. 71 TO RS. 75 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.**

**THE FLOOR PRICE IS 7.1 TIMES OF THE FACE VALUE AND  
 THE CAP PRICE IS 7.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.**

**BIDS CAN BE MADE FOR A MINIMUM OF 1600 EQUITY SHARES AND IN MULTIPLES OF 1600 EQUITY SHARES THEREAFTER.**

### Risks to Investors:

- Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.
- The Merchant Banker associated with the Issue has handled 13 public issue in the past three years out of which 2 Issues closed below the Issue Price on Listing date
- Average cost of acquisition of Equity Shares held by the Individual Promoters are of Rs. 0.33 per Equity Share and Corporate Promoters are of Rs. 0.67 per Equity Share and the Issue Price at the upper end of the Price Band is Rs. 75 per Equity Share.
- The Price/Earnings ratio based on Diluted EPS for Fiscal 2021 for the company at the upper end of the Price Band is 5.28 as compared to the average Industry Peer Group PE ratio of 21.17
- Weighted Average Return on Net worth for Fiscals 2021, 2020 and 2019 is 14.57%
- The Weighted average cost of acquisition of all Equity Shares transacted in the last three years and one year from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)*	Upper end of the Price Band (Rs. 75) is 'X' times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year	0	Nd/- **	0-0
Last 3 years	0	Nd/- **	0-0

\*Weighted average cost of acquisition has been calculated by adjusting for split of equity shares.

\*\*Nd represents that the value cannot be defined

## BID / ISSUE PROGRAM

**BID/ISSUE OPENS ON<sup>(1)</sup>: TUESDAY, MARCH, 15, 2022**

**BID/ISSUE CLOSES ON: THURSDAY, MARCH, 17, 2022**

<sup>1)</sup> Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "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. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 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. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except 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 for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 270 of the Red Herring Prospectus.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders / Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company.

The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 340 of the Red Herring Prospectus.

**LIABILITY OF MEMBERS AS PER MOA:** The Liability of the members of the Company is Limited.

**AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE:** The Authorised share capital of the Company is Rs.30,00,00,000 divided into 3,00,00,000 Equity Shares of Rs. 10 each. The issued, subscribed and paid-up share capital of the Company before the Issue is Rs.18,41,49,100 divided into 1,84,14,910 Equity Shares of Rs. 10 each. For details of the Capital Structure, see "Capital Structure" on the page 64 of the Red Herring Prospectus.

**NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association of our Company: Mr. Nemichand Shrishrimal - 1 Equity Shares, Mr. Shantilal Shrishrimal - 1 Equity Shares, Mr. Prakashchand Shrishrimal - 1 Equity Shares, Mr. Vinod Kumar Daga - 1 Equity Shares and Mr. Khushalchand Jhabak - 1 Equity Shares aggregating to 5 Equity Shares of Rs. 1000/- each. Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 130 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 64 of the Red Herring Prospectus.

**LISTING:** The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the NSE (NSE EMERGE). Our Company has received an 'in-principle' approval from the NSE for the listing of the Equity Shares pursuant to letter dated March 03, 2022. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited (NSE). A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on March 07, 2022 and Prospectus shall be delivered for filing 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 340 of the Red Herring Prospectus.

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"):** Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 250 of the Red Herring Prospectus.

**DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE):** It is to be distinctly understood that the permission given by NSE ("NSE EMERGE") should not in any way be deemed or construed that the contents of the Prospectus or the price at which the equity shares are offered has been cleared, solicited or approved by NSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause pertaining to NSE.

**GENERAL RISK:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares 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 the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 29 of the Red Herring Prospectus.

## ASBA\*

**Simple, Safe, Smart way of Application- Make use of it !!!**

\*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

**Mandatory in Public Issues from January 01, 2016.  
 No cheque will be accepted**



**UPI-Now available in ASBA for Retail Individual Investors (RII)\*\***

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI - Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.

Investors have to apply through the ASBA process. \*ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure" beginning on page 270 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchanges and in the General Information Document.

\*ASBA forms can be downloaded from the website of NSE ("NSE EMERGE")

\*\*List of banks supporting UPI is also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). Axis Bank Limited has been appointed as Sponsor Bank for the Issue, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail Id - [ipo.upi@npci.org.in](mailto:ipo.upi@npci.org.in). For the list of UPI Apps and Banks live on IPO, please refer to the link [www.sebi.gov.in](http://www.sebi.gov.in). For issue related grievance investors may contact: Hem Securities Limited-Mr. Akun Goyal (+91 022-49060000) (Email Id: [ib@hemsecurities.com](mailto:ib@hemsecurities.com)).

### BOOK RUNNING LEAD MANAGER TO THE ISSUE

**Hem Securities Ltd.**  
**HEM SECURITIES LIMITED**  
 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013, Maharashtra, India.  
**Tel:** +91-022-4906 0000  
**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)  
**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)  
**Contact Person:** Akun Goyal  
**Website:** [www.hemsecurities.com](http://www.hemsecurities.com)  
**SEBI Reg. No.:** INM00010981

### REGISTRAR TO THE ISSUE

**LINK Intime**  
**LINK INTIME INDIA PRIVATE LIMITED**  
 C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India  
**Tel No.:** +91-022-49186200; **Fax No.:** +91-022-49186060  
**Email:** [knagri.ipo@linkintime.co.in](mailto:knagri.ipo@linkintime.co.in)  
**Investor Grievance Email:** [knagri.ipo@linkintime.co.in](mailto:knagri.ipo@linkintime.co.in)  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Regn. No.:** INR00004058

### COMPANY SECRETARY AND COMPLIANCE OFFICER

**KN AGRI RESOURCES LIMITED**  
 Mr. Akshat Sharma  
 K.N. Building, Subhash Road, Ramsagarpara, Raipur 492001, Chhattisgarh, India.  
**Tel No.:** +91-771-2293706-08; **E-mail:** [info@knagri.com](mailto:info@knagri.com); **Website:** [www.knagri.com](http://www.knagri.com);  
**CIN:** U15141CT1987PLC003777

Investors can contact the Company Secretary and Compliance Officer or the BRLMs 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, non-credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc.

**AVAILABILITY OF RED HERRING PROSPECTUS:** Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), website of the Company at [www.knagri.com](http://www.knagri.com), the website of the BRLMs to the Issue at [www.hemsecurities.com](http://www.hemsecurities.com), the website of NSE EMERGE at [https://www1.nseindia.com/emerge/index\\_sme.htm](https://www1.nseindia.com/emerge/index_sme.htm), respectively.

**AVAILABILITY OF BID-CUM-APPLICATION FORMS:** Bid-Cum-Application forms can be obtained from the Registered Office of the Company: KN Agri Resources Limited, Telephone: +91-22-43541100; BRLMs: Hem Securities Limited, Telephone: +91 022- 49060000 and the Syndicate Members: Hem Finlease Private Limited, Telephone: +91 022-49060000 and at the selected locations of the Sub-Syndicate Members, Registered Brokers, RTAs and CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of NSE EMERGE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

**ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC ISSUE ACCOUNT BANK/ SPONSOR BANK:** Axis Bank Limited.

**UPI:** Retail Individual Bidders can also Bid through UPI Mechanism.

**LINK TO DOWNLOAD ABRIDGED PROSPECTUS:** <https://knagri.com/ftp/Abridged.pdf>

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

**Place:** Raipur, Chhattisgarh  
**Date:** March 08, 2022

**Disclaimer:** KN Agri Resources Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP with the Registrar of Companies, Chhattisgarh on March 7, 2022 and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE EMERGE at [https://www1.nseindia.com/emerge/index\\_sme.htm](https://www1.nseindia.com/emerge/index_sme.htm) and is available on the websites of the BRLMs at [www.hemsecurities.com](http://www.hemsecurities.com). Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the RHP including the section titled "Risk Factors" beginning on page 29 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued 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 in accordance with any applicable U.S. state securities laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

On behalf of Board of Directors  
 For KN Agri Resources Limited  
**Sd/-**  
**Mr. Akshat Sharma**  
 Company Secretary & Compliance Officer