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**MADHUSUDAN MASALA LIMITED**  
CIN: U15400GJ2021PLC127968

Our Company was originally formed as a partnership firm registered under the Indian Partnership Act, 1932 with Registrar of Firms, Gujarat in the name and style of "M/s. Madhusudan & Co.", pursuant to a deed of partnership entered between Dayalji Vanraavan Kotecha and Vijaykumar Vanraavan Kotecha in 1982. Further "M/s. Madhusudan & Co." was converted from partnership firm to a Private Limited Company under Part I of chapter XXI of the Companies Act, 2013 in the name of "Madhusudan Masala Private Limited" vide Certificate of Incorporation dated December 14, 2021, bearing registration No. 127968 issued by Registrar of Companies, Central Registration Centre and CIN No. U15400GJ2021PTC127968. Subsequently our Company was converted into a public limited company vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on April 15, 2023 and consequently the name of our Company was changed from "Madhusudan Masala Private Limited" to "Madhusudan Masala Limited" vide fresh Certificate of Incorporation granted to our Company consequent upon conversion into public limited company dated April 29, 2023 by the Registrar of Companies, Ahmedabad bearing Corporate Identification Number U15400GJ2021PLC127968.

**Registered Office:** F. P. No. 19, Plot No. 1 - B Hapa Road, Jamnagar, Gujarat-361001 India

**Contact Person:** Megha Dilipkumar Madani, Company Secretary & Compliance Officer

**Tel No:** +91- 0288 - 2572002; **E-mail:** info@madhusudanmasala.com; **Website:** www.madhusudanmasala.com;

**PROMOTERS OF OUR COMPANY: DAYALJI VANRAVAN KOTECHA, VIJAYKUMAR VANRAVAN KOTECHA, RISHIT DAYALAJI KOTECHA, HIREN VIJAYKUMAR KOTECHA, FORAM RISHIT KOTECHA AND MAYURI HIREN KOTECHA**

**ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JULY 28, 2023: NOTICE TO THE INVESTORS ("THE ADDENDUM")**

**INITIAL PUBLIC OFFER OF UPTO 34,00,000 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF MADHUSUDAN MASALA LIMITED ("OUR COMPANY" OR "MADHUSUDAN" OR "THE ISSUER") AT AN ISSUE PRICE OF RS. [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS("PUBLIC ISSUE") OUT OF WHICH [●]EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] 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 [●] EQUITY SHARES OF FACE VALUE OF RS. 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.36% AND [●]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

Potential Bidders may note the following:

1. The Chapter titled "**Our Promoters and Promoter Group**" beginning on page 146 of the Draft Red Herring Prospectus has been updated to include details of Forum Rishit Kotecha and Mayuri Hiren Kotecha as Promoters of the Company. In consequence to such addition in Promoters, the relevant portions of the Chapters namely "**Definitions and Abbreviations**", "**Summary of Draft Red Herring Prospectus**", "**Capital Structure**", and "**Our Management**" beginning on Page 1, 20, 62 and 129 of the Draft Red Herring Prospectus has also been updated.
2. The Chapter titled "**Risk Factors**" beginning on page 26 of the Draft Red Herring Prospectus has been updated
3. The Chapter titled "**Objects of the Issue**" beginning on page 73 of the Draft Red Herring Prospectus has been updated
4. The Chapter titled "**Our Business**" beginning on page 99 of the Draft Red Herring Prospectus has been updated
5. The Chapter titled "**Statement of Financial Indebtedness**" beginning on page 186 of the Draft Red Herring Prospectus has been updated
6. The Chapter titled "**Management's Discussion And Analysis Of Financial Conditions And Results Of Operations**" beginning on page 190 of the Draft Red Herring Prospectus has been updated
7. The Chapter titled "**Outstanding Litigation And Material Developments**" beginning on page 199 of the Draft Red Herring Prospectus has been updated
8. The Chapter titled "**Government And Other Statutory Approvals**" beginning on page 202 of the Draft Red Herring Prospectus has been updated
9. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**On behalf of Madhusudan Masala Limited**

Sd/-

**Megha Dilipkumar Madani**

**Company Secretary and Compliance Officer**

Place: Jamnagar

Date: September 04, 2023

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**Hem Securities Ltd.**



**HEM SECURITIES LIMITED**

904,A Wing, Naman Midtown, Senapati Bapat Marg,

Elphinstone Road, Lower Parel, Mumbai-400013, India

**Tel. No.:** +91- 022- 49060000;

**Fax No.:** +91- 022- 22625991

**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)

**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)

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

**KFIN TECHNOLOGIES LIMITED**

Address: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District,

Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

Tel No.: +91 40 6716 2222

Toll Free No.: 1800 309 4001

Email: [mml.ipo@kfintech.com](mailto:mml.ipo@kfintech.com)

Investor Grievance Email Id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Contact Person: M Murali Krishna

**Contact Person :** Roshni Lahoti  
**SEBI Regn. No.** INM000010981

Website: [www.kfintech.com](http://www.kfintech.com)  
SEBI Registration Number: INR000000221

**BID/ISSUE PROGRAMME**

**ANCHOR PORTION ISSUE OPENS/ CLOSES ON:** [●]\*

**BID/ISSUE OPENS ON:** [●]\*\*

**BID/ISSUE CLOSES ON:** [●]\*\*

*\*The Company may, in consultation with the Book Running Lead Manager, 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 Regulations*

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**SECTION I – GENERAL**

**DEFINITIONS AND ABBREVIATIONS**

**Company related and Conventional terms**

<b>Term</b>	<b>Description</b>
Promoters	Shall mean promoters of our Company i.e. Dayalji Vanravan Kotecha, Vijaykumar Vanravan Kotecha, Rishit Dayalaji Kotecha, Hiren Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha. For further details, please refer to section titled " <b><i>Our Promoters &amp; Promoter Group</i></b> " beginning on page 146 of this Draft Red Herring Prospectus.

## SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS

### C. PROMOTERS

Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha, Rishit Dayalaji Kotecha, Hiren Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha

### F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTERS GROUP

Our Promoters and Promoter Group collectively holds 95,00,000 Equity shares of our Company aggregating to 100.00% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:-

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Rishit Dayalaji Kotecha	22,86,000	24.06	22,86,000	[●]
2.	Hiren Vijaykumar Kotecha	22,86,000	24.06	22,86,000	[●]
3.	Dayalji Vanraavan Kotecha	16,00,000	16.84	16,00,000	[●]
4.	Vijaykumar Vanraavan Kotecha	16,00,000	16.84	16,00,000	[●]
5.	Foram Rishit Kotecha	8,55,000	9.00	8,55,000	[●]
6.	Mayuri Hiren Kotecha	8,55,000	9.00	8,55,000	[●]
	<b>Sub Total (A)</b>	<b>94,82,000</b>	<b>99.80</b>	<b>94,82,000</b>	[●]
	<b>Promoters Group</b>				
7.	Madhusudan Auto-Biz Private Limited	18,000	0.20	18,000	[●]
	<b>Sub Total (B)</b>	<b>18,000</b>	<b>0.20</b>	<b>18,000</b>	[●]
	<b>Grand Total (A+B)</b>	<b>95,00,000</b>	<b>100.00</b>	<b>95,00,000</b>	[●]

### H. SUMMARY OF OUTSTANDING LITIGATIONS

**Litigations/ Matters against our Company:**

*Litigations involving our Company: -*

(₹ in lakhs)

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lakhs)*
<b><i>Against the Company</i></b>		
Taxation Liabilities (Direct Tax Cases)	1**	2.21
<b><i>Filed by the Company</i></b>		
Criminal Proceedings	5	5.16

*\*to the extent quantifiable*

*\*\* It relates to the pending Tax Deducted at Source (TDS) amount of Rs. 2.21 Lakhs which is currently displayed as outstanding on the Traces website.*

*Litigations involving Promoters and Directors: -*

(₹ in lakhs)

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in Lacs)*
<b><i>Hiren Vijaykumar Kotecha</i></b>		
<b><i>Filed by the Directors</i></b>		
Criminal Proceedings	1	1.55

<i>Vijaykumar Vanraavan Kotecha</i>		
<i>Against the Directors</i>		
Taxation Liabilities (Direct Tax Cases)	2**	0.34

*\*to the extent quantifiable*

**\*\* i. Assessment Year 2011:**

*An original outstanding demand of Rs. 0.08 lakhs is noted on the Income Tax website, with Demand reference no. 2018201110001545383T. Our promoter has expressed disagreement with the demand issued by the Income Tax department, resulting in an outstanding payment.*

**ii. Assessment Year 2020:**

*An outstanding demand of Rs. 0.24 lakhs along with accrued interest of Rs. 0.03 lakhs as of the date of filing this response letter is reported, with Demand reference no. 2023202037154979202T. Our promoter disputes the demand issued by the Income Tax department, leading to an outstanding payment.*

**M. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR**

Sr. No.	Name of the Promoters	No. of Shares acquired in last one year	Weighted Average Price (in ₹)
1.	Dayalji Vanraavan Kotecha	8,50,000	29.41
2.	Vijaykumar Vanraavan Kotecha	8,50,000	29.41
3.	Rishit Dayalaji Kotecha	22,86,000	0.00
4.	Hiren Vijaykumar Kotecha	22,86,000	0.00
5.	Foram Rishit Kotecha	8,55,000	0.00
6.	Mayuri Hiren Kotecha	8,55,000	0.00

**N. AVERAGE COST OF ACQUISITION OF SHARES**

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Dayalji Vanraavan Kotecha	16,00,000	31.25
2.	Vijaykumar Vanraavan Kotecha	16,00,000	31.25
3.	Rishit Dayalaji Kotecha	22,86,000	0.00
4.	Hiren Vijaykumar Kotecha	22,86,000	0.00
5.	Foram Rishit Kotecha	8,55,000	0.00
6.	Mayuri Hiren Kotecha	8,55,000	0.00

### **SECTION III – RISK FACTORS**

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

We propose to utilize the Net Proceeds towards utilization for the working capital requirement of our Company and general corporate purposes. For further details of the proposed objects of the Issue, see “Objects of the Issue” beginning on page 73. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

***20. The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 73 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated on page 73 under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated on page 73 under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings

***21. Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing process. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.***

Our manufacturing facility is located at Jamnagar in Gujarat. Our business is dependent upon our ability to manage our manufacturing facility, which is subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe climate conditions and natural disasters. 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 breakdown of machinery in a timely manner or at all, our operations may need to be suspended until we procure new machinery to replace the same.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. We may experience significant price increases due to supply shortages,





inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations.

Although we have not experienced any significant disruptions at our manufacturing facility in the past, we cannot assure you that there will not be any 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 underutilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

Additionally, we rely on certain third-party manufacturers for certain types of products such as Tea and Other Grocery Products like: Papad, Soya Products, Asafoetida (Hing), Black Salt, Rock Salt etc. In the event that there are disruptions in the manufacturing facility of such third-party manufacturers, it will impact our ability to deliver such products and meet with our commitments. If these products from third-party manufacturers cease to be available to us at costs acceptable to us or if we experience problems with, or interruptions in supply of these products and we are unable to find other facilities to provide similar products on comparable terms and on a timely basis, our operations would be disrupted and our financial condition and results of operations could be affected.

**22. We may not be able to adequately protect or continue to use our intellectual property.**

The details of trademarks/ copyright registered and used by our Company are as under:

S. No.	Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number and Date	Status
1.	Trademark	30		Dayalji Vannavan Kotecha	Application No. 1714110 Dated: July 24, 2028	<b>Registered</b>
2.	Trademark	30	Double Haathi 	Dayalji Vannavan Kotecha	Application No. 1714109 Dated: July 24, 2008	<b>Registered</b>
3.	Copyright	Artistic Work	A symbol of purity and quality... 	M/s. Madhusudan & Co.	Application No. 125033/2018 Dated: March 16, 2018	<b>Registered</b>
4.	Trademark	30	A symbol of purity and quality... 	Dayalji Vannavan Kotecha	Application No. 3410353 Dated: November 16, 2016	<b>Opposed</b>

The Trademark Application mentioned in Sr. no. 4 of abovementioned table used by our company in most of its products is opposed with the Registrar of Trademarks in India, under the Trade Marks Act, 1999. For details of our intellectual property rights, see “Government and Other Statutory Approvals” on page 202 of this Draft Red Herring Prospectus. There can be no assurance that our trademark application will be accepted and the trademark will be registered. Any other vendor in the similar line of business as ours may use the above-mentioned trademark and we may have a lesser recourse to initiate legal proceedings to protect our brand name. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of our trademark for which we have applied for registration, we may not be able to use such trademark and / or avail the legal protection or prevent unauthorised use of such trademark by third parties, which may adversely affect our goodwill and business.



The registration of intellectual property including trademarks is a time-consuming process and there can be no assurance that any registration applications we may pursue will be successful and that such registration will be granted to us. If we fail to register the appropriate intellectual property, or our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows.

In particular, the use of similar trade names by third parties may result in confusion among our customers, and we are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including imitation products, which may adversely affect sale of our products, resulting in a decrease in market share due to a decrease in demand for our products. Such imitation products may not only result in loss of sales but also adversely affect our reputation and consequently our future sales and results of operations. In the event of such unauthorized use, we may be compelled to pursue legal action for the protection of our brand and intellectual property, which may divert our attention and resources thereby affecting our business operations. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results. For any of these reasons, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property

**23. Our Company, Promoters and Directors are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties/prosecutions and may adversely affect our business and results of operations.**

Our Company, Promoters and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, and government departments.

<b>Nature of Litigation</b>	<b>Number of Cases Outstanding</b>	<b>Amount in dispute/ demanded to the extent ascertainable (Amount in lakhs)*</b>
<b><i>Against the Company</i></b>		
Taxation Liabilities (Direct tax Cases)	1**	2.21
<b><i>Filed by the Company</i></b>		
Criminal Proceedings	5	5.16

\*to the extent quantifiable

\*\* It relates to the pending Tax Deducted at Source (TDS) amount of Rs. 2.21 Lakhs which is currently displayed as outstanding on the Traces website.

Litigations involving Promoters and Directors:-

<b>Nature of Litigation</b>	<b>Number of Cases Outstanding</b>	<b>Amount in dispute/ demanded to the extent ascertainable (Amount in lakhs)*</b>
<b><i>Hiren Vijaykumar Kotecha</i></b>		
<b><i>Filed by the Directors</i></b>		
Criminal Proceedings	1	1.55
<b><i>Vijaykumar Vanravan Kotecha</i></b>		
<b><i>Against the Directors</i></b>		
Taxation Liabilities (Direct Tax cases)	2**	0.34

\*to the extent quantifiable

**24. We are subject to strict quality requirements and any failure by us to comply with quality standards may lead to cancellation of existing and future orders.**

Our business is subject to adherence with the quality standards as per market practices and the requirements of our customers. Any failure by us to achieve or maintain compliance with these requirements or standards may adversely affect our orders from our customers. Our customers may choose our competitors over us if we fail to meet the quality standards, which may in-turn harm our reputation. In case of degradation in quality, we may also become subject to legal proceedings and commercial or contractual disputes. Further, if we incur significant liabilities for which there is no or insufficient insurance coverage our business, financial condition and results of operations could be adversely affected.

***25. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.***

In particular, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities that may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

The Shop and establishment registration for our outlet at Grain Market Opp chamber hall, Jamnagar 361001 got expired in the past, however we have now renewed the same. Furthermore, in the past our Company was not registered under the Employees' State Insurance Act, 1948 and did not make payments of contribution, as applicable thereunder, when it was a partnership firm. Our Company obtained the requisite registrations vide allotment letter dated December 15, 2021 but the payments of ESI was not made. However, our company has now started its workers getting registered under the ESI plan and have started depositing the ESI contribution w.e.f June 2023. There can be no assurance that our Company, our directors and our officers will not be made liable for penalties for such non-compliance in the past.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of noncompliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. Also some of the registration certificates of our company are in the name of the partnership firm "M/s Madhusudan & Co". The same needs to be updated in the records of concerned authorities. For further details, see "Government and Other Statutory Approvals" on page 202 of this Draft Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected

Our company has not complied with certain Accounting Standards such as AS-15 however the same have been duly complied by the company in the restated financial statements. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

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

Our day-to-day manufacturing operations are subject to a wide range of health, safety, and environmental laws and regulations. Compliance with these laws and regulations is essential to ensure the well-being of our employees, protect the environment, and maintain our business operations.

Violations of these laws and regulations can lead to fines, penalties, or litigation, which may have adverse effects on our business, financial condition, and results of operations. For example, we must adhere to the provisions of the Food Safety and Standards Act, 2006, which sets scientific standards for food articles and regulates their manufacture, storage, distribution, and sale to ensure safe and wholesome food for human consumption. Non-compliance with licensing requirements or operating without a license under the Food Safety and Standards Act can result in punishable offenses and fines.

To remain compliant with applicable laws and regulations, we may need to modify our operations or make capital improvements in the future. This could involve investing in new equipment or technologies, implementing additional safety measures, or making changes to our manufacturing processes. These modifications may require financial resources and could impact our operational efficiency.

In addition to food safety regulations, we are also subject to laws and government regulations related to safety, health, and environmental protection. These include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981, the Water (Prevention and Control of Pollution) Act 1974, and other regulations established by the

Ministry of Environment and the pollution control boards of Gujarat. Compliance with these environmental protection laws and regulations is crucial to minimize the impact of our operations on air and water quality, as well as to protect ecosystems and public health. Failure to comply with these laws could result in penalties, legal actions, or reputational damage.

We recognize the importance of adhering to health, safety, and environmental regulations and strive to maintain a culture of compliance within our organization. We have implemented processes and procedures to ensure ongoing compliance with applicable laws and regulations. Regular monitoring, training, and internal audits are conducted to identify and address any areas of non-compliance. Any non-compliance or failure to adapt to evolving regulatory requirements could have negative consequences on our business operations, financial condition, and results of operations.

***27. Our strategy relating to construction of new cold storage and installation of requisite plant and machinery therein is subject to the risk of unanticipated delays in implementation and cost overruns.***

We intend to construct a new cold storage at our manufacturing facility situated at F. P. No. 19, Plot No. 1 - B Hapa Road Jamnagar, Gujarat- 361001 India and including installation of requisite plant and machinery for proper functioning of the cold storage. Our strategy remains subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our plans include labour shortages, increased cost of construction or manpower, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, interest and finance charges and other external factors which may not be within the control of our management. There can be no assurance that the proposed capital expenditure towards construction of the cold storage facility will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned establishment in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

***28. Our operating results could be materially harmed if we are unable to accurately forecast consumer demand for our products or manage our inventory.***

We strive to keep optimum inventory with wholesalers, distributors and dealers to control our costs and working capital requirements. To maintain an optimal inventory, we monitor our inventory levels based on our projections of demand as well as on a real-time basis. Although our manufacturing facility enables us to fulfil large orders from our distributors in minimal lead time, unavailability of products, due to high demand or inaccurate forecast, may result in loss of sales and adversely affect our customer relationships. We manage our inventory by constantly monitoring and tracking our current inventory levels, while keeping a small portion of reserve stock, based on our forecast for customer demand. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. Inventory levels in excess of customer demand may result in inventory write-offs and the sale of excess inventory at discounted prices, which may cause our gross margin to suffer and could impair the strength of our brand. On the other hand, in the case we experience shortage of products, we may be unable to meet the demand for our products, and our business and operating results could be adversely affected. Therefore, an inaccurate forecast can also result in an over-supply of products, which may increase inventory costs, negatively impact cash flow, reduce the quality of inventory, shrinkages and ultimately lead to reduction in margins. Further, some of our raw materials can become old and may lose its natural properties. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. During the Fiscal 2023, 2022 and 2021 our inventories were Rs 2,292.72 lakhs, Rs 1,584.99 lakhs and Rs 745.78 lakhs. Further, if we fail to convert the inventory, we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

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

We are subject to various contamination-related risks which typically affects the Food industry, including product tampering; relatively short shelf life of certain of our products; improper storage of our products and raw materials; adulteration of our products with any substance unfit for human consumption; labelling and packaging errors; inferior quality raw materials;

non-compliance with food safety and quality control standards; cross-contamination of products during manufacturing; as well as wastage of products during manufacturing or transportation.

Our products may contain undetected quality issues, especially when first introduced or when new products are developed, resulting from the product development or manufacture of the product or raw materials used in the product. While we have implemented stringent quality control procedures at our own manufacturing facilities, including inspection of raw materials procured and monitoring of the manufacturing process, there can be no assurance that our quality control procedures will be adequate or will not fail, or that the quality tests and inspections conducted by us will be accurate at all times, including quality inspections at third party manufacturers.

Any actual or alleged contamination or deterioration of our products, whether deliberate or accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our financial performance. We also employ third-party transportation providers to deliver our manufactured products to our various wholesalers. Further, there can be no assurance that contamination of our raw materials or products will not occur during the transportation, manufacturing, distribution and sales processes due to reasons unknown to us or beyond our control. If our products or raw materials are found to be spoilt, contaminated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse condition or other damage resulting from consumption of such products, which we may not be able to fully recover from our suppliers or insurance coverages. We may also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 (“FSS Act”) along with relevant rules and regulations. Further, contamination of any of our products could also subject us to product liability claims, adverse publicity and government scrutiny, investigation or intervention, product return, resulting in increased costs and any of these events could have a material and adverse impact on our reputation, business, financial condition, cash flows, results of operations and prospects

***30. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, and we have not experienced any such material incidents in the past, there can be no assurance that we will not face such disruptions in the future.

During the manufacturing process, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations. The occurrence of any one of the above events may result in us being named as a defendant in lawsuits asserting claims for substantial damages, including for personal injury and property damage and fines and/or penalties.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. In the event that our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

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

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members and Group Companies. These transactions, inter-alia include, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses, reimbursement of expenses etc. For details, please refer to “Annexure-J- Related Party Transactions” under

Section titled “Financial Information of the Company” and Chapter titled “Capital Structure” beginning on page 178 and 62 respectively of this Draft Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution on arms length price as per Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

***32. If we fail to identify and effectively respond to changing consumer tastes and preferences and spending patterns in a timely manner, the demand for our products could decrease, causing our business, results of operations, financial condition and cash flows to be adversely affected.***

The market is characterized by frequent changes, particularly in consumer tastes and preferences, new products and product variations. The popularity and demand of a product may vary over time due to changing culinary habits, consumer tastes and preferences, including those relating to durability, quality and purity etc. Consumer preferences in the market are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Our continued success depends on our ability react in a timely and cost-effective manner to changes in consumer tastes and preferences for our products, as well as to where and how consumers shop for these products.

We continually work to enhance the recognition of our brand and products and refine our approach as to how, when and where we market and sell our products using data and technology. While we aim to introduce new products from time to time, we recognize that consumer preferences cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be commercially viable or effective or accepted by our consumers. If we are unable to foresee or respond effectively to the changes in market conditions, new and changing trends or desired consumer preferences, accurately anticipate and forecast demand for products, then there may be a decline in the demand and sales for our products, thereby reducing our market share and preventing us from acquiring new customers and retaining existing customers, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

***33. Some of our Group Companies and our Promoter Group Entities are engaged in similar line of business. Any conflict of interest in future may occur between our group company or our promoter group entities and us may adversely affect our business, prospects, results of operations and financial condition.***

Our Group Companies, Madhusudan Agri Processing and Cold Storage Private Limited, Madhusudan Auto-Biz Private Limited and our Promoter Group Entities M/s. Madhusudan & Co., Mumbai, M/s. Madhusudan & Co., Rajkot and M/s. Madhusudan & Co., Ahmedabad are engaged in the similar line of business, primarily dealing in spices, grains and other grocery products. We will endeavour to take adequate steps to address any conflict of interest by adopting the necessary procedures and practices as permitted by applicable law, to address any conflict which may arise in the future. We cannot assure you that our Promoters will not favour the interests of our group companies over our interests in future or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations.

***34. We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, purchase of raw materials which may be adversely affected by changes in terms of credit and payment. Delays in payment or reduction of advance payments and/or accelerated payments to suppliers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded. We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, each of which

may have a material adverse effect on our business, financial condition, prospects and results of operations. Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations

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

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the FY 2022-23, 2021-22 and 2020-21 our inventories were ₹2,292.72 lakhs, ₹1,584.99 lakhs and ₹745.78 lakhs. Further, if we fail to convert the inventory we purchase by manufacturing our products, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the FY 2022-23, 2021-22 and 2020-21 our trade receivables were ₹1,648.32 lakhs, ₹1,263.01 lakhs and ₹1,255.59 lakhs. We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

***36. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.***

Our Contingent liabilities as on March 31, 2023 were ₹ 2.21 Lakhs. If these contingent liabilities materialize, fully or partly, the financial condition of our Company could be affected.

(Rs. In Lakhs)

Particulars	As at		
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
<b>(a) Contingent Liabilities</b>			
a. Claims against the company not acknowledged as debts	-	-	-
b. Guarantees	-	-	-
c. Other Money for which the company is contingently liable	2.21	2.21	2.21
<b>(b) Commitments</b>	-	-	-
<b>Total</b>	<b>2.21</b>	<b>2.21</b>	<b>2.21</b>

For more information, regarding our contingent liabilities, please refer “Note 18” in chapter titled “Financial Information of the Company” beginning on page 170 of this Draft Red Herring Prospectus.

**37. Our Group Company has incurred losses in past, any operating losses in the future could adversely affect the results of operations and financial conditions of our group.**

The details of profit and loss of our Group Company, Madhusudan Agri Processing and Cold Storage Private Limited in the past years are as follows:-

(Rs. In Lakhs)

Group Company	For The Year Ended		
	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Madhusudan Agri Processing and Cold Storage Private Limited	9.35	33.22	(39.44)

Any operating losses by our group companies could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards such entity which could have an adverse effect on our operations and financials.

**38. Our manufacturing activities require deployment of labour and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.**

Our manufacturing operations require deployment and our ability to retain labour. In case such labour workforce is unavailable, or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, there have been amendments in the labour and Employment related laws, which may have a direct impact on our employee costs and consequently, on our margins. Further, latest amendments in labour laws in India may lead to increasing cost of compliance, wages, social security, Occupational Safety, Health and Working Conditions. We cannot assure you that we will continue to comply with all these labour related laws and that as we continue to grow our business in the future, our labour and employee costs coupled with operating compliances and expenses will not significantly increase. Our employees are not unionized currently. However, there is no assurance that our employees will not seek unionization in the future. In the event that employees at our manufacturing facilities take any steps to unionise, it may become difficult for us to maintain flexible labour policies, and may increase our costs and adversely affect our business.

Any strikes or lock-outs, work stoppages, slowdowns, shut downs, supply interruptions or costs or other factors beyond our control, may disrupt our operations and could negatively impact our financial performance or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability. There can be no assurance that we will not experience slowdowns or shutdowns in the manner described above, or in any other manner, in the future, for reasons which are beyond our control. Any slowdown or shutdown will adversely impact our results of operations, market share and financial condition.

**39. Changes in technology may render our current technologies obsolete or require us to make substantial investments.**

Modernization and technology up gradation 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. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology in the industry in which we operate, we may be required to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of Working capital loan and term loan availed by us from Bank of Baroda and in respect of vehicle loans availed from Kotak Mahindra Bank Limited and ICICI Bank Limited. We have been extended such loan against hypothecation of our Company's property and current assets. Any default in repayment of such loan can potentially lead to the lenders disposing off our assets. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter "Statement of Financial Indebtedness" beginning on page 186 of this Draft Red Herring Prospectus.

***41. Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company has availed unsecured loans which may be called by their lenders at any time. As on March 31, 2023 the unsecured loan amounting Rs. 2095.79 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled "*Statement of Financial Indebtedness*" beginning on page 186 of Draft Red Herring Prospectus.

***42. Excessive dependence on Bank of Baroda in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned credit facilities by Bank of Baroda. The Company is dependent on such facility for its Term loans, Overdraft facilities and other funding requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

***43. Under-utilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing facility, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by, our customers. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. During the Fiscal 2023, 2022 and 2021 our overall capacity utilization for manufacturing chilli powder were 33.43%, 29.51% and 35.61% respectively, for manufacturing Turmeric Powder were 19.30%, 18.31% and 19.10% respectively and for manufacturing Coriander Powder/Blend Spices/ Coriander Cumin Powder cumulatively were 19.54%, 19.16% and 31.14% respectively. For further information, see "Our Business - Capacity and Capacity Utilization" on page 99 of this Draft Red Herring Prospectus. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

***44. We are dependent on our Promoters, our senior management and other key personnel, and the loss of, or our inability***



***to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our promoters, senior management and other key personnel. They have gained experience in this line of business and have over the years built relations with suppliers, third party manufacturers, customers and other persons who are connected with us and have been actively involved in the day to day operations and management, further we believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for product development and manufacturing activities, successful delivery of products and our overall business operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see “Our Management” on page 129 of this Draft Red Herring Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

***45. Relevant copy of educational qualifications of some of our Directors is not traceable.***

Relevant copy of the educational qualification of some of our Directors, Dayalji Vanravan Kotecha, Vijaykumar Vanravan Kotecha and Hiren Vijaykumar Kotecha are not traceable. Therefore for the purpose of disclosure requirements of brief profile as disclosed in the section titled “Our Management” on page 129 of this Draft Red Herring Prospectus, we have relied on the affidavit provided by him.

***46. The average cost of acquisition of Equity Shares by our Promoters, could be lower than the issue price. Moreover Equity Shares allotted to our Promoters pursuant to conversion of partnership firm, “M/s. Madhusudan & Co” have been allotted at a price which may be lower than the Price at which the equity shares shares will be issued.***

Sr. No.	Name of Promoters	No. of shares held	Average cost of Acquisition (in ₹)
1	Dayalji Vanravan Kotecha	16,00,000	31.25
2	Vijaykumar Vanravan Kotecha	16,00,000	31.25
3	Rishit Dayalaji Kotecha	22,86,000	0.00
4	Hiren Vijaykumar Kotecha	22,86,000	0.00
5	Foram Rishit Kotecha	8,55,000	0.00
6	Mayuri Hiren Kotecha	8,55,000	0.00

Accordingly, our Promoters’ average cost of acquisition of Equity Shares in Company may be lower than the Issue Price decided by the Company in consultation with the Lead Manager. Our Company was originally formed and registered as a partnership firm under the Partnership Act, 1932 in name and style of “M/s. Madhusudan & Co.” and thereafter been converted from a partnership firm to a private limited company under the provisions of Part I of Chapter XXI of the Companies Act, 2013 to operate under the name of Madhusudan Masala Private Limited with Mr. Dayalji Vanravan Kotecha and Vijaykumar Vanravan Kotecha being the initial subscribers to the MOA of our Company. The Equity Shares allotted to our Promoters at the time of subscribing to the MOA and pursuant to the conversion of partnership form to a company may be below the price at which the shares will be issued. For Further details of equity shares issued, please refer to the Section titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares by our Promoters in our Company, please refer to the chapters “Capital Structure” beginning on pages 62 of this Draft Red Herring Prospectus.

***47. 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 serious harm to our reputation. 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 affective in all cases. Our employees 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.

***48. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

***49. Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.***

Information relating to our installed capacities and the historical capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus.

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

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 refer to the Section “Dividend Policy” on page 151 of the Draft Red Herring Prospectus.

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

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

***52. Any future issuance of our Equity Shares may dilute prospective investors’ shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which

could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***53. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

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 will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under "Basis for the Issue Price" on page 79 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, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, 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. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment

***54. Investors other than retail (including non-institutional investors, QIBs and Corporate Bodies) are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application.***

Pursuant to the SEBI ICDR Regulations, Investors other than retail (including non-institutional investors and Corporate Bodies) are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Amount) at any stage after submitting an Application. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Offer 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 operation or financial condition, may arise between the date of submission of the Application and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidder's ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

***55. Our Promoters and Directors have provided personal guarantees for financing facilities availed by our Company and may in the future provide additional guarantees and any failure or default by our Company to repay such facilities in accordance with the terms and conditions of the financing agreements could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and Directors and thereby, adversely impact our business and operations.***

Our Promoters and Directors have personally guaranteed the repayment of certain loan facilities taken by us. Our Promoters may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our guarantors may be required to liquidate their shareholding in

our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring 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 could affect our financial condition and cash flows.

***56. Non-compliance with increasingly health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition.***

We are subject to various laws and government regulations, including in relation to health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, storage, transport, handling, disposal and other aspects of our manufacturing operations. Improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. We obtain the requisite registrations and approvals from time to time and aim to maintain industrial hygiene assessments and employing other prescribed safety measures. The occurrence of any such event in the future could have an adverse effect on our business, results of operations, cash flows and financial condition. We may be impleaded in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations. In addition, environmental laws and regulations in India have increasingly become more stringent. The scope and extent of the new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects

***57. Industry information included in this Draft Red Herring Prospectus has been derived from an industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.***

This Draft Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “Industry Overview” beginning on page 186. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

***58. Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

***59. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company***

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for late payments or non-payments for any previous year and current year will affect the financial position

of the Company. For instance our company in the past had delayed filing of GSTR3B due to operational reasons and accordingly paid later fees and penalties on the same. Any demand or penalty raised by the concerned GST authority for such late filing may affect the financial position of the company.

**SECTION IV: INTRODUCTION**

**CAPITAL STRUCTURE**

**9. Shareholding Pattern of the Company**

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Red Herring Prospectus

I - Our Shareholding Pattern:-

Sr . No.	Category of shareholder	Nos . of shareholder s	No. of fully paid-up Equity Shares held	No. of Partly paid-up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form
								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 (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoter & Promoter Group	7	95,00,000	-	-	95,00,000	100	95,00,000	-	95,00,000	100	-	-	-	-	-	95,00,000	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>95,00,000</b>	<b>-</b>	<b>-</b>	<b>95,00,000</b>	<b>100</b>	<b>95,00,000</b>	<b>-</b>	<b>95,00,000</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,00,000</b>	

### 13.Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, Our Promoters, Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha, Rishit Dayalaji Kotecha, Hiren Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha collectively hold 94,82,000 Equity Shares of our Company.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding %	Post-Issue Shareholding %
<b>(A) Dayalji Vanraavan Kotecha</b>							
Upon Incorporation	5000	10	10	Cash	Initial Subscription to MOA	0.05	[●]
May 25, 2022	24,95,000	10	10	Cash	Right Issue	26.26	[●]
April 12, 2023	(17,50,000)	10	Nil	Gift	Transfer of share by way of Gift <sup>(i)</sup>	(18.42)	[●]
July 03, 2023	6,00,000	10	Nil	Nil	Bonus in the ration of 4:5	6.32	[●]
July 15, 2023	2,50,000	10	100	Cash	Right Issue	2.63	[●]
<b>Total (B)</b>	<b>16,00,000</b>	<b>10</b>	<b>10</b>			<b>16.84</b>	<b>[●]</b>
<b>(B) Vijaykumar Vanraavan Kotecha</b>							
Upon Incorporation	5000	10	10	Cash	Initial Subscription to MOA	0.05	[●]
May 25, 2022	24,95,000	10	10	Cash	Right Issue	26.26	[●]
April 12, 2023	(17,50,000)	10	Nil	Gift	Transfer of share by way of Gift <sup>(ii)</sup>	(18.42)	[●]
July 03, 2023	6,00,000	10	Nil	Nil	Bonus in the ration of 4:5	6.32	[●]
July 15, 2023	2,50,000	10	100	Cash	Right Issue	2.63	[●]
<b>Total (B)</b>	<b>16,00,000</b>	<b>10</b>	<b>10</b>			<b>16.84</b>	<b>[●]</b>
<b>(C) Rishit Dayalaji Kotecha</b>							
April 12, 2023	12,70,000	10	Nil	Gift	Acquisition by way of transfer of shares	13.37	[●]
July 03, 2023	10,16,000	10	Nil	Nil	Bonus in the ratio of 4:5	10.69	[●]
<b>Total (C)</b>	<b>22,86,000</b>	<b>10</b>				<b>24.06</b>	<b>[●]</b>
<b>(D) Hiren Vijaykumar Kotecha</b>							
April 12, 2023	12,70,000	10	Nil	Gift	Acquisition by way of transfer of shares	13.37	[●]
July 03, 2023	10,16,000	10	Nil	Nil	Bonus in the ratio of 4:5	10.69	[●]
<b>Total (D)</b>	<b>22,86,000</b>	<b>10</b>				<b>24.06</b>	<b>[●]</b>
<b>(E) Foram Rishit Kotecha</b>							
April 12, 2023	4,75,000	10	Nil	Gift	Acquisition by way of transfer of shares	5.00	[●]
July 03, 2023	3,80,000	10	Nil	Nil	Bonus in the ratio of 4:5	4.00	[●]
<b>Total (E)</b>	<b>8,55,000</b>	<b>10</b>				<b>9.00</b>	<b>[●]</b>
<b>(F) Mayuri Hiren Kotecha</b>							
April 12, 2023	4,75,000	10	Nil	Gift	Acquisition by way of transfer of shares	5.00	[●]
July 03, 2023	3,80,000	10	Nil	Gift	Bonus in the ratio of 4:5	4.00	[●]
<b>Total (F)</b>	<b>8,55,000</b>	<b>10</b>				<b>9.00</b>	<b>[●]</b>
<b>Grand Total(A+B+C+D+E+F)</b>	<b>94,82,000</b>	<b>10</b>				<b>99.80</b>	<b>[●]</b>

Note: None of the Shares has been pledged by our Promoter.

**14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:**

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Dayalji Vanraavan Kotecha	16,00,000	31.25
2.	Vijaykumar Vanraavan Kotecha	16,00,000	31.25
3.	Rishit Dayalaji Kotecha	22,86,000	0.00
4.	Hiren Vijaykumar Kotecha	22,86,000	0.00
5.	Foram Rishit Kotecha	8,55,000	0.00
6.	Mayuri Hiren Kotecha	8,55,000	0.00

**15. Shareholding of Promoters & Promoters Group**

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter group”:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Rishit Dayalaji Kotecha	22,86,000	24.06	22,86,000	[●]
2.	Hiren Vijaykumar Kotecha	22,86,000	24.06	22,86,000	[●]
3.	Dayalji Vanraavan Kotecha	16,00,000	16.84	16,00,000	[●]
4.	Vijaykumar Vanraavan Kotecha	16,00,000	16.84	16,00,000	[●]
5.	Foram Rishit Kotecha	8,55,000	9.00	8,55,000	[●]
6.	Mayuri Hiren Kotecha	8,55,000	9.00	8,55,000	[●]
	<b>Sub Total (A)</b>	<b>94,82,000</b>	<b>99.80</b>	<b>94,82,000</b>	<b>[●]</b>
	<b>Promoters Group</b>				
7.	Madhusudan Auto-Biz Private Limited	18,000	0.20	18,000	[●]
	<b>Sub Total (B)</b>	<b>18,000</b>	<b>0.20</b>	<b>18,000</b>	<b>[●]</b>
	<b>Grand Total (A+B)</b>	<b>95,00,000</b>	<b>100.00</b>	<b>95,00,000</b>	<b>[●]</b>

16. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoter and Promoter group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Subscribed/ Acquire/ Transfer	Category of Allottees (Promoter/ Promoter Group/ Director)
April 12, 2023	Dayalji Vanraavan Kotecha	(17,50,000)	(18.42)	Transfer by way of Gift	Promoter/ Director
	Vijaykumar Vanraavan Kotecha	(17,50,000)	(18.42)		Promoter/ Director
	Rishit Dayalaji Kotecha	12,70,000	13.37	Acquisition by way of Gift	Promoter/ Director
	Hiren Vijaykumar Kotecha	12,70,000	13.37		Promoter/ Director
	Foram Rishit Kotecha	4,75,000	5.00		Promoter / Director
	Mayuri Hiren Kotecha	4,75,000	5.00		Promoter / Director
	Madhusudan Auto-Biz Private Limited	10,000	0.11		Promoter Group
July 03, 2023	Dayalji Vanraavan Kotecha	6,00,000	6.32	Acquire by way of Bonus allotment in the ratio of 4:5	Promoter/ Director
	Vijaykumar Vanraavan Kotecha	6,00,000	6.32		Promoter/ Director
	Rishit Dayalaji Kotecha	10,16,000	10.69		Promoter/ Director
	Hiren Vijaykumar Kotecha	10,16,000	10.69		Promoter/ Director
	Foram Rishit Kotecha	3,80,000	4.00		Promoter / Director
	Mayuri Hiren Kotecha	3,80,000	4.00		Promoter / Director
	Madhusudan Auto-Biz Private Limited	8,000	0.08		Promoter Group



<b>Date of Allotment/ Transfer</b>	<b>Name of Shareholders</b>	<b>No. of Equity Share</b>	<b>% of Pre issue Capital</b>	<b>Subscribed/ Acquire/ Transfer</b>	<b>Category of Allottees (Promoter/ Promoter Group/ Director)</b>
July 15, 2023	Dayalji Vanravan Kotecha	2,50,000	2.63	Right Issue in the ratio of 1:18	Promoter/ Director
	Vijaykumar Vanravan Kotecha	2,50,000	2.63		Promoter/ Director

#### **18. Details of Promoters' Contribution Locked-in for Three Years**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 94,82,000 Equity Shares constituting [●]% of the Post – Issued, subscribed and paid-up Equity Shares Share Capital of our Company, which are eligible for the Promoters' contribution.

## OBJECTS OF THE ISSUE

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

S.No.	Particulars	Amt (Rs. In lacs)
1.	Funding to meet working capital requirements	1600.00
2.	General Corporate Purpose	[•]
	<b>Total</b>	<b>[•]</b>

*Details of Estimation of Working Capital requirement are as follows:*

S. No.	Particulars	Actual (Restated)			Estimated
		March 31, 2021	March 31, 2022	March 31, 2023	
<b>I</b>	<b>Current Assets</b>				
	Inventories	745.78	1584.99	2292.72	3445.43
	Cash and Bank Deposits	27.94	24.23	40.64	75.00
	Trade Receivables	1255.59	1263.01	1648.32	3100.89
	Short term Loans and Advances	93.79	208.40	754.59	844.40
	Other Current Assets	0.00	0.00	0.00	-
	<b>Total (A)</b>	<b>2123.10</b>	<b>3080.64</b>	<b>4736.29</b>	<b>7465.72</b>
<b>II</b>	<b>Current Liabilities</b>				
	Trade Payables	463.86	589.78	124.12	300.00
	Other Current Liabilities	11.06	8.69	47.99	132.70
	Short Term Provisions	31.25	33.08	220.22	116.95
	<b>Total (B)</b>	<b>506.17</b>	<b>631.55</b>	<b>392.33</b>	<b>549.65</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>1,616.93</b>	<b>2,449.09</b>	<b>4,343.96</b>	<b>6,916.08</b>
<b>IV</b>	<b>Funding Pattern</b>				
	Short Term borrowings & Internal accrual	<b>1616.93</b>	<b>2449.00</b>	<b>4343.96</b>	<b>5316.08</b>
	<b>IPO Proceeds</b>				<b>1600.00</b>

### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as well as projections for financial year ended March 31, 2024.

Particulars	Unit	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
		Audited	Audited	Audited	Estimated
Debtors	Days	65	70	42	52
Creditors	Days	44	30	11	5
Inventories	Days	56	71	64	71

### Justification:

<b>Debtors</b>	The historical holding days of trade receivables has been ranging from 70 days to 42 days during Fiscal 2021 to Fiscal 2023. The company intends to scale up its marketing activities which will lead to increased sales and` as per the current credit terms and prevalent trend of the industry & in order to expand company's operations, the holding level for debtors is anticipated at 52 days of total revenue from operations during Fiscal 24. Furthermore, the company intends to modernize the existing manufacturing facility with latest
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	technology and automation. The installation of new plant & machinery will enhance the efficiency and effectiveness of our manufacturing activities which will facilitate business expansion and sales.
<b>Creditors</b>	Past trend of trade payable holding days has been in the range of 44 days to 11 days approximately during Fiscal 2021 to Fiscal 2023. However with additional working capital funding, our Company intends to reduce trade payable to 5 days during Fiscal 2024 to avail cash discount as well as competitive purchase price to increase overall profitability of our Company.
<b>Inventories</b>	Inventories include raw materials and finished goods. The historical holding days of inventories has been in range of 56 days to 71 days during Fiscal 2021 to Fiscal 2023. With the perspective to increase business operations, the Company estimates inventories holding days to be around 71 days in Fiscal 24

## **OUR BUSINESS**

### **OUR BUSINESS STRATEGIES**

#### ***Scale up branding, promotional and digital activities***

Since our products are manufactured for human consumption, we are required to consistently focus on branding and promotional activities to enhance our visibility and trust in the Spices industry. Our marketing initiatives are focused on customer development and maintaining customer relationship. To further create brand visibility, we also participate in exhibitions like we participated in IFE manufacturing Expo at London in March 2023 to showcase our product and will also participate in GPBS 2024 as Silver sponsor and at CIBUS TEC 2023 food and beverages expo in Italy. The exhibitions and fair gives us a platform to exhibit our products. Moreover, we seek to continue to enhance brand awareness and customer loyalty through our promotional and marketing efforts also by increasing our digital presence and engagements. We have initiated sales from our website and through some e-commerce platforms like Meesho and intend to add our products in similar platforms in future as well. With more than 800 million internet users in India there is access to information. (Source:[https://www.meity.gov.in/writereaddata/files/DIA\\_Presentation%2009.03.2023%20Final.pdf](https://www.meity.gov.in/writereaddata/files/DIA_Presentation%2009.03.2023%20Final.pdf)). Accordingly increasing awareness and usage of internet in India will facilitate our focus on Scaling up branding and promotional activities through our website and e-commerce platforms.

Our intent to reach out to customers through the digital platform and social media will enable us to reach and engage with a wider audience. We intend to continue and expand our offline marketing initiatives including display of banners & hoardings, road show marketing, advertisements in theatres, newspapers, TV channels etc to focus on brand building initiatives of the company.

### **PLANT & MACHINERY**

The major plant & machineries installed at our manufacturing facility include Belt conveyor machine, pulveriser grinder, Oil mixer machine, Electric motors, Tea filling auger VFFS filler machine Rewinding machine, Bag sealer machine, Electric kanta or Weighing Scale, Mixer machines, Seed cleaning machine, Engraved printing cylinders, Packing machines, Diesel generator etc. The list of Plant & Machinery installed at manufacturing facility that has been disclosed in the Draft Red Herring Prospectus are owned by the Company.

### **SALES & MARKETING**

We are required to consistently focus on branding and promotional activities to enhance our visibility and trust in the Spices industry. Our marketing initiatives are focused on customer development and maintaining customer relationship. To further create brand visibility we also participate in exhibitions like we participated in IFE manufacturing Expo at London in March 2023 to showcase our product and will also participate in GPBS 2024 as Silver sponsor and at CIBUS TEC 2023 food and beverages expo in Italy. The exhibitions and fair gives us a platform to exhibit our products. The importance of brand recognition may become greater as our competitors offer products similar to ours. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers and cementing brand loyalty. We undertake various advertising and marketing activities for the creative awareness of our brands and products. We ensure that our product packaging design includes images and written content on the product, specifications, ingredients, etc. Our marketing initiatives comprise banners & hoardings, social media marketing, advertisements in local newspapers etc. In order to recall brand value and its visibility and engagement with distributors, retailers and consumers, we liaise with retailers to display boards and carry out in-shop branding at their outlets.

Further we seek to continue to enhance brand awareness and customer loyalty through our promotional and marketing efforts also by increasing our digital presence and engagements. We have initiated sales from our website and through some e-commerce platforms like Meesho and intend to add our products in similar platforms in future as well. With more than 800 million internet users in India there is access to information (Source: [https://www.meity.gov.in/writereaddata/files/DIA\\_Presentation%2009.03.2023%20Final.pdf](https://www.meity.gov.in/writereaddata/files/DIA_Presentation%2009.03.2023%20Final.pdf)). Our intent to reach out to customers through the digital platform and social media will enable us to reach and engage with a wider audience. We intend to continue and expand our offline marketing initiatives including display of banners & hoardings, road show marketing, advertisements in theatres, newspapers, TV channels etc to focus on brand building initiatives of the company.

### **INFRASTRUCTURE & UTILITIES:**

**Raw Materials:** Our raw material requirements include whole spices such as chilli, coriander seeds, cumin seeds, turmeric. We are largely dependent on the agricultural industry for almost all of our raw materials including, whole spices, rajgira etc. Agricultural industry is largely dependent on various factors including monsoon and weather conditions. We purchase the raw materials in the harvest season and store them in our leased cold storage for manufacturing consumption and sales throughout the year during off season. Procurement of raw material during harvest season can be done at competitive prices along with retaining standard quality.

## **INSURANCE**

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have obtained insurance coverage in respect of certain risks related to stock transit, plant & machinery, office building, stocks at warehouses, stocks at factory and marine Cargo Insurance policy. While we believe that the level of insurance we maintain would be reasonably adequate to cover the normal risks associated with the operation of our all material hazards, which may affect our business, results of operations and financial condition. For further details, please refer to Risk factor **“Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.”** on page 26 of this Draft Red Herring Prospectus. Details of Insurance obtained by our company as on date of this Draft Red Herring Prospectus are as under:

S.No.	Policy No.	Name of Insurance Policy	Type of Policy	Sum Insured (Rs in lakhs)	Valid Till
1	MOBL377306	Bundled Motor Policy-	Vehicle Insurance	5.80	<b>Own Damage-</b> Valid till September 02, 2023 <b>Third Party-</b> Valid Till: September 02, 2025
2	3379/03340624/000/00	Package - Goods Carrying Vehicle	Vehicle Insurance	3.04	December 30, 2023
3	2315204858576400000	Package Policy (Commercial Vehicle- Goods Carrying)	Vehicle Insurance	4.54	August 23, 2023
4	143700/31/2023/796	Motor Insurance Certificate Cum Policy Schedule POS- Private Car Liability Only Policy- Zone B	Vehicle Insurance	7.50	August 12, 2024
5	143700/31/2023/3660	Motor Insurance Certificate Cum Policy Schedule Pos-GCCV Package Policy - Zone C	Vehicle Insurance	2.03	March 21, 2024
6	3379/03340992/000/00	Motor Policy Schedule Cum Certificate of Insurance	Vehicle Insurance	6.40	January 04, 2024
7	21220011234300000006	New India Bharat Sookshma Udyam Suraksha Policy	Stock Insurance	600.00	May 11, 2024
8	21220011229600000009	New India Flexi Laghu Udyam Suraksha	Stock Insurance	1500.00	January 28, 2024
9	21220011238000000114	New India Bharat Sookshma Udyam Suraksha Policy	Building Insurance	7.00	May 11, 2024
10	21220011228000000682	New India Bharat Sookshma Udyam Suraksha Policy	Stock Insurance	181.00	November 12, 2023
11	21220021220200000053	Marine Cargo Open Policy Certificate	Marine Cargo Open Policy Certificate	90.72	November 23, 2023

## IMMOVABLE PROPERTIES

Details of our immovable properties are as below:-

Sr. No.	Details of the Property	Actual Use	Owned/ Leased	Details of Lessor/Licensor/Seller
1	F. P. No. 19, Plot No. 1 - B Hapa Road, Jamnagar Jamnagar-361001	Registered Office and Factory	Leased	Agreement to Lease executed between Vijaybhai Vanravanbhai Kotecha and Madhusudan Masala Private Limited dated June 03, 2022. Term of this deed is 20 years.
2	Grain Market, Opp chamber hall, Jamnagar 361001	Retail and wholesale outlet	Owned	Agreement of sale executed between Shri Rashmikant Valjibhai Papat, Shri Govindbhai Pragjibhai Morjriya, Shri Amrutlal Bhagavanjibhai Kariya (Seller) and M/s. Madhusudhan & Company (Buyer) vide agreement dated January 15, 2005
3	203, City Point, Opp Townhall circle, Townhall, Jamnagar District, Gujarat- 361001	Given on Rent	Owned	Agreement of sale executed between Shree Umeshbhai Sankarbai Bhanusali (Seller) and M/s Madhusudhan and Co. (Buyer) vide

Sr. No.	Details of the Property	Actual Use	Owned/Leased	Details of Lessor/Licensor/Seller
				agreement dated May 28, 2003
4	Jamnagar City, Near Paviya Chowk, Khadiya Fadiya, Nr. City Survey Main Division, 361006	Godown	Owned	Agreement of sale executed between Shri Dayadji Vrundavan Kotcha and Shri Vijaykumar Vrundavan Kotcha (Sellers) and M/s Madhusudhan and Co. (Buyer) vide agreement dated July 11, 1991
5	Shop no.4 ground floor, Jyot tower, Near parsi agiyari Town Hall Jamnagar 361001	Plan to open retail outlet	Owned	Agreement of sale executed between M/s K.K Builders (Sellers) and M/s Madhusudhan and Co. (Buyer) vide agreement dated April 28, 2006
6	4367 Opp. Dholia pir dargah, Nageshwar main road, Jamnagar 361001	Old manufacturing facility of the company which is now closed. No identifiable Future plans for the said property	Owned	Agreement of sale executed between Koli Chaman Nanji (Seller) and M/S. Madhusudan and Co, (Buyer) dated August 17, 1992
7	Plot No. 16/A, Nageshwar Colony, Near Vora Hazira, Jamnagar Opp. Dholia pir dargah, Nageshwar main road, Jamnagar 361001		Owned	Agreement of sale executed between Koli Monghiben Nanjibhai (Seller) and M/s Madhusudhan and Co. (Buyer) vide agreement dated February 20, 2014
8	Res.No.291 District Panchayat Office, Jamnagar Bean Farming Order No.Rev/3/NA/ Reg:45/65-66-Nageshwar Opp. Dholia pir dargah, Nageshwar main road, Jamnagar 361001		Owned	Agreement of sale executed between Shri Mansukhlal Ratilal Visharoliya, Shri Ashwinkumar Ratilal Veesharoliya, Shri Bipinkumar Ratilal Veesharoliya, Smt.Hansaben Kishorebhai Chhaniyara, Smt. Dheerajben Mahendrabhai Valambiya, Smt. Anilaben Arvindbhai Jadwani, Smt. Dinaben Bipinbhai Bakraniya (Seller) and M/s Madhusudhan and Co. (Buyer) vide agreement dated May 06, 2014
9	State of Gujarat, District Jamnagar, City Jamnagar, outside the limits of Metropolitan Municipality Nageshwar Colony located in Res. No. Out of 21 Non-Agriculture plots, 16-"A" Opp. Dholia pir dargah, Nageshwar main road, Jamnagar 361001		Owned	Agreement of sale executed between - Kodi Nanji Lakhman (Seller) and M/s Madhusudhan and Co. (Buyer) vide agreement dated July 24, 1992

## OUR MANAGEMENT

### BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Foram Rishit Kotecha** aged 41 years is the promoter and Non- Executive Director of our Company. She has completed her Bachelor of Science in the Zoology from D.K.V. Arts and Science College, Jamnagar in the year 2003. She has completed her diploma in Food and Nutrition in the year 2006 from Indira Gandhi National Open University. She has an overall experience of 10 years in the field of food testing, recipe development of spices products.

**Mayuri Hiren Kotecha** aged 34 years is the promoter and Non- Executive Director of our Company. She has completed Higher Secondary Certificate Examination from Gujarat Board, Gandhinagar in the year 2003. She has an overall experience of 10 years in field of real estate management.

**Hasmukhbhai Ishwarlal Hindocha** aged 61 years is the Independent Director of our Company. He has completed his graduation in commerce from Saurashtra University in the year 1984 and has passed his LLB from Saurashtra University in the year 1987. He has an overall experience of 19 years in the field of law as advocate.

**Parth Bipin Sukhparia** aged 52 years is the Independent Director of our Company. He has completed his graduation in commerce from Saurashtra University in the year 1993 and has completed LLB from Saurashtra University in the year 1996. He has an overall experience of 28 years in the field of media consultant, writer and journalist.

**Chintan Ashokbhai Mehta** aged 32 years is the Independent Director of our company. He has completed Master of Commerce from Saurashtra University in the year 2013. He has an overall experience of 10 years in the field of accounting.

### Shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Directors	No. of shares Held	Holding in % (pre issue)
1	Dayalji Vanravan Kotecha	16,00,000	16.84
2	Vijaykumar Vanravan Kotecha	16,00,000	16.84
3	Rishit Dayalaji Kotecha	22,86,000	24.06
4	Hiren Vijaykumar Kotecha	22,86,000	24.06
5	Foram Rishit Kotecha	8,55,000	9.00
6	Mayuri Hiren Kotecha	8,55,000	9.00
	Total	<b>94,82,000</b>	<b>99.81</b>

### We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Rishit Dayalaji Kotecha and Hiren Vijaykumar Kotecha are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March, 2023.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/ profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except:

S. No.	Name of the KMP's	No. of shares Held
1	Rishit Dayalaji Kotecha	22,86,000
2	Hiren Vijaykumar Kotecha	22,86,000
	Total	<b>45,72,000</b>

- Presently, we do not have ESOP/ ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our company belongs.



## OUR PROMOTERS & PROMOTER GROUP



### Our Promoters:

The Promoters of our Company are Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha, Rishit Dayalaji Kotecha, Hiren Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha.

As on date of this Draft Red Herring Prospectus, the Promoters, collectively holds 94,82,000 Equity shares of our Company, representing 99.80% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*", on pages 62 of this Draft Red Herring Prospectus.

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*", on pages 62 of this Draft Red Herring Prospectus.

### *Brief Profile of our Promoters is as under:*

	<p><b>Foram Rishit Kotecha- Non-Executive Director</b></p> <p>Foram Rishit Kotecha, aged 41 years, is one of our Promoters and is also the Non-Executive Director on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "Our Management –Brief profile of Directors" on page 129</p> <p>Other ventures of our Promoters –</p> <p><b>Partnership Firm:</b></p> <p>1. M/s. Madhusudan and Services</p> <p>Her permanent account number is <b>BBSPK4818C</b></p> <p>For details of his shareholding, please see "Capital Structure" on page 62</p>
	<p><b>Mayuri Hiren Kotecha- Non-Executive Director</b></p> <p>Mayuri Hiren Kotecha, aged 34 years, is one of our Promoters and is also the Non-Executive Director on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "Our Management –Brief profile of Directors" on page 129</p> <p>Other ventures of our Promoters –</p> <p>Partnership Firm:</p> <p>1. M/s. Madhusudan and Services</p> <p>Her permanent account number is <b>BOIPK4558N</b></p> <p>For details of his shareholding, please see "Capital Structure" on page 62</p>

### Confirmations/Declarations:

In relation to our Promoters Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha, Rishit Dayalaji Kotecha, Hiren

Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha, our Company confirms that the PAN, Bank Account numbers, Passport numbers, Aadhaar Card number and Driving License number shall be submitted to NSE at the time of filing of this Draft Red Herring Prospectus.

**Interest of our Promoters:**

***Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha, Rishit Dayalaji Kotecha, Hiren Vijaykumar Kotecha, Foram Rishit Kotecha and Mayuri Hiren Kotecha collectively holds 94,82,000 Equity Shares in our Company i.e. 99.80% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. For details, please refer to ***Annexure J – “Related Party Transactions”*** beginning on page 178 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoter in our Company, please see “Capital Structure” on page 62 of this Draft Red Herring Prospectus.

**Experience of Promoter in the line of business**

Our Promoters Dayalji Vanraavan Kotecha, Vijaykumar Vanraavan Kotecha have experience of 41 years each, Rishit Dayalaji Kotecha and Hiren Vijaykumar Kotecha have experience of 20 years each and Foram Rishit Kotecha and Mayuri Hiren Kotecha have experience of 10 years each in the spices industry. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

**OUR PROMOTER GROUP:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

### 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoters Group (due to their relationship with the Promoter) are as follows:

Relationship with Promoter	Dayalji Vanraavan Kotecha	Vijaykumar Vanraavan Kotecha	Rishit Dayalaji Kotecha	Hiren Vijaykumar Kotecha	Foram Rishit Kotecha	Mayuri Hiren Kotecha
Father	Vanraavan Liladhar Kotecha	Vanraavan Liladhar Kotecha	Dayalaji Vanraavan Kotecha	Vijaykumar Vanraavan Kotecha	Dharmanshu Gangaram Bhatt	Naginbhai Girdharbhai Dattani
Mother	Shantaben Vanraavan Kotecha	Shantaben Vanraavan Kotecha	Chandrikaben Dayalaji Kotecha	Dhirajben Vijaykumar Kotecha	Dipikaben Dharmanshu Bhatt	Varshaben Naginbhai Dattani
Spouse	Chandrikaben Dayalaji Kotecha	Chandrikaben Dayalaji Kotecha	Foram Rishit Kotecha	Mayuri Hiren Kotecha	Rishit Dayalaji Kotecha	Hiren Vijaykumar Kotecha
Brother	Vijaykumar Vanraavan Kotecha	Dayalji Vanraavan Kotecha	-	-	Milan Dharmanshu Bhatt Kashyap Dharmanshu Bhatt	Divyesh Naginbhai Dattani -
Sister	Vijayaben Govidlal Dattani Manjuben Kantilal Popat Nirmalaben Kantilal Manik Ramaben Kantilal Sonecha Madhuben Vrajlal Davda Jyotsnaben Vrajlal Modi Meenaben Rameshkumar Tanna Riddhiben Bipinkumar Tanna	Vijayaben Govidlal Dattani Manjuben Kantilal Popat Nirmalaben Kantilal Manik Ramaben Kantilal Sonecha Madhuben Vrajlal Davda Jyotsnaben Vrajlal Modi Meenaben Rameshkumar Tanna Riddhiben Bipinkumar Tanna	Radhika Rakesh Thakkar Swati Ruhil Majithiya	Dipika Kishan Popat Reena Tulesh Bariya	-	-
Son	Dayalaji Vanraavan Kotecha	Vijaykumar Vanraavan Kotecha	Herat Rishit Kotecha	Yuvraj Hiren Kotecha	Herat Rishit Kotecha	Yuvraj Hiren Kotecha
Daughter	Swati Ruhil Majithiya Radhika Rakesh Thakkar	Dipika Kishan Popat Reena Tulesh Bariya	-	Vanshika Hiren Kotecha Paridhi Hiren Kotecha	-	Vanshika Hiren Kotecha Paridhi Hiren Kotecha
Spouse's	Vrundavan Premji Popat	Parshootam Liladhar Raichura	Dharmanshu	Naginbhai Girdharbhai	Dayalaji	Vijaykumar

<b>Relationship with Promoter</b>	<b>Dayalji Vanraavan Kotecha</b>	<b>Vijaykumar Vanraavan Kotecha</b>	<b>Rishit Dayalaji Kotecha</b>	<b>Hiren Vijaykumar Kotecha</b>	<b>Foram Rishit Kotecha</b>	<b>Mayuri Hiren Kotecha</b>
Father			Gangaram Bhatt	Dattani	Vanraavan Kotecha	Vanraavan Kotecha
Spouse's Mother	Champaben Vrundavan Popat	Pushpaben Parshottambhai Raichura	Dipikaben Dharmanshu Bhatt	Varshaben Naginbhai Dattani	Chandrikaben Dayalaji Kotecha	Dhirajben Vijaykumar Kotecha
Spouse's Brother	Jagdishbhai Vanraavan Popat Bhakul Vanraavan Popat Nandlal Vanraavan Popat	Chhotalal Parsotam Raichura Shantilal Parsotam Raichura Anilbhai Parsotam Raichura Mahendrabhai Parsotam Raichura Subhashbhai Parsotam Raichura	Milan Dharmanshu Bhatt	Divyesh Naginbhai Dattani	-	-
Spouse's Sister	Jamnaben Pramodlal Ghelani Lilavantiben Karsandas Richatha	Labhuben Natvarlal Sayani Narmadaben Kishorkumar Kundalia Jamnaben Gokaldas Davda Nirmalaben Karsandas Davda Sonalben Shaileshkumar Vasant Roopaben Jigneshkumar Barchha	-	-	Swati Ruhil Majithiya Radhika Rakesh Thakkar	Dipika Kishan Popat Reena Tulesh Bariya

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,

**The Board of Directors,**  
M/s Madhusudan Masala Limited  
F . P . No. 19, Plot No. 1-B Hapa Road  
Jamnagar -Gujarat 361001

**Dear Sirs,**

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Madhusudan Masala Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on 31st March 2023 are mentioned below.

**A. SECURED LOANS**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS**

Sr. No.	Lender	Nature of facility	Sanctioned Amt	Date of Sanction	Rate of interest (%)	Repayment Schedule	Security Hypothecated	Outstanding as on March 31, 2023
1	Bank of Baroda TL - 01338	Term Loan for Takeover from ICICI Bank	328.07	30.06.2022	BRLLR+SP+0.15% (7.85%)	To be repaid in the Tenure of 104 Months	1. Creation of Registered equitable mortgage of factory land and building including proposed PE8 structure of Cold Storage at NA industrial land having sub plot no. 1/8, R. S. No. 1509/2, adm 5384.14 Sq. Mtrs. and built up adm. 2294.38 Sq. Mtrs. situated Nr. Marketing Yard, Hapa road, Jamnagar, Gujarat	309.52
2	Bank of Baroda TL - 01339	Term Loan for Takeover from Kotak Bank	117.23	30.06.2022	BRLLR+1.00% (8.45%)	To be repaid in the Tenure of 26 Months	2. Creation of Registered equitable mortgage of Residential cum Commerical building comprised of eight shops, two stalls, six offices and twelve flats at city survey no. 1-G-4 Paiki, Sheet No. 86, C. S.	76.65
3	Bank of Baroda TL -	Term Loan for Construction	180.00	30.06.2022	BRLLR+SP+0.15% (7.85%)	70 Months including moratorium of 10		180.00

Sr. No.	Lender	Nature of facility	Sanctioned Amt	Date of Sanction	Rate of interest (%)	Repayment Schedule	Security Hypothecated	Outstanding as on March 31, 2023
	01721	of PEB Cold Storages Structure				Months ( Principal outstanding amount to be repaid in 60 equal monthly instalments after the expiry of the Moratorium Period.)	No. 3837 Paiki & 3838, Plot no. 3/A1, 3/A2 and 3/8, Saru Section road, Jamnagar 3. Creation of Registered equitable mortgage of all that piece and parcel of NA Residential land of Plot No. 51, admeasuring 694.73 Sq. Mtrs. (as per revenue record 694.73.11 Sq. Mtrs) of NA land of R. S. No. 382 paiki, situated on Rajkot Highway in the city of Jamnagar 4. Creation of Registered equitable mortgage of all that piece and parcel of NA Residential land of Plot No. 52, admeasuring 694.73 Sq. Mtrs. (as per revenue record 694.73.11 Sq. Mtrs) of NA land of R. S. No. 382 paiki, situated on Rajkot Highway in the city of Jamnagar	
4	Bank of Baroda TL - 01722	Term Loan for Cold Storage Plant & Machineries	220.00	30.06.2022	BRLLR+SP+0.15% (7.85%)	70 Months including moratorium of 10 Months ( Principal outstanding amount to be repaid in 60 equal monthly instalments after the expiry of the Moratorium Period.)	<b>Guarantee</b> 1 Mr. Vijaykumar Vanravan Kotecha 2 Mr. Dayalji Vanravan Kotecha 3 Mr. Hiren Vijaykumar Kotecha 4 Mr. Rishit Dayalji Kotecha	220.00
5	Bank of Baroda CC -	Cash Credit	1,400.00	30.06.2022	BRLLR+SP+0.15% (7.85%)	N.A.		1285.86
6	Kotak Mahindra Prime Ltd TL - 1	Vehicle Loan	34.58	31.01.2023	8.50%	To be repaid in the Tenure of 84 Months	Jeep	33.69
7	Kotak Mahindra Prime Ltd TL -	Vehicle Loan	15.60	30.07.2020	8.50%	To be repaid in the Tenure of 60 Months	KIA Seltos G 1.4 T - GDI G T X AT	8.03

Sr. No.	Lender	Nature of facility	Sanctioned Amt	Date of Sanction	Rate of interest (%)	Repayment Schedule	Security Hypothecated	Outstanding as on March 31, 2023
	2							
8	ICICI Bank - Vehicle Loan	Vehicle Loan	9.70	26.04.2021	7.65%	To be repaid in the Tenure of 84 Months	EcoSport / Titanium 1.5l Tdci	7.65

**NOTE: \* Rate of Interest mentioned are as on the date of sanction letter (It may vary as on date)**

**General Terms & Conditions:**

1. The Company will not repay the unsecured loans till continuation of Credit Facilities and and to infuse long term funds as estimated/projected.
2. The securities charged to the Bank shall be inspected as per Bank's guidelines from time to time as per internal rating of the Company. Inspection charges for periodical verification of stocks/ machineries/ securities are to be borne by the Company.
3. The Company to obtain and continue to obtain / renew various licenses / permissions / sanctions etc from various Government Department from time to time and copy of the same should be given to the Bank.
4. The Company to submit audited financials of the Company at the earliest (irrespective of due date of review of facilities), peruse the performance & financials compared to estimate / projection furnished by the Company while sanctioning I reviewing the credit facilities and place their views on key financial parameters before the sanctioning authority along with required remedial measures, if any
5. The Company and Directors / Guarantors to submit a declaration that none of them is related to any Director of our Bank / any other Banking Company or to any staff of our Bank.
6. In case of any default in the repayment of the loan or interest, the Bank and / or RBI will have an unqualified right to disclose or publish the name of the Company / Partners / guarantors as defaulter in such manner and in such medium as the Bank or the RBI in their absolute discretion may think fit.
7. The Company would keep the Bank informed of the happening of the event that is likely to have substantial effect on the profit in business or circumstance adversely affecting its financial position.
8. Company to note: The ROI approved / applicable to credit facilities is subject to satisfactory conduct of account during the review period and compliance of terms & conditions, the rate of interest may undergo change in base Rate, policy, change by Bank / RBI / Govt. The rate of interest, margin and other charges will be subject to change as per RBI's directive / Bank's Policy from time to time
9. The credit facilities if eligible for Capital Subsidy and Interest Subsidy as per norms and guidelines issued by Bank / Nodal Agency /Govt. Authorities. The Company to submit necessary documents/ information to the Bank / Competent govt. authority as per Scheme guidelines before the cutoff date of submission.
10. The securities charged to the Bank shall be inspected as per Bank's guidelines from time to time as per internal rating of the Company. Inspection charges for periodical verification of stocks/ machineries/ securities are to be borne by the Company.

**B. UNSECURED LOANS**

Name	Purpose	Rate of Interest	Repayment	Outstanding Amount in Lacs as on 31-03-2023
<b>Long Term Borrowings</b>				
Dayaljibhai V Kotecha	Business Loan	12 %	Repayable on Demand	352.96
Vijaykumar V. Kotecha	Business Loan	12 %	Repayable on Demand	327.44
<b>Short Term Borrowing</b>				
Foram Rishit Kotecha	Business Loan	6 %	Repayable on Demand	17.87
Hiren Vijaybhai Kotecha	Business Loan	6 %	Repayable on Demand	35.47
Mayuri Hiren Kotecha	Business Loan	6 %	Repayable on Demand	17.73
Rishit Dayalji Kotecha	Business Loan	6 %	Repayable on Demand	143.21
Dayaljibhai V Kotecha	Business Loan	12 %	Repayable on Demand	899.04
Vijaykumar V. Kotecha	Business Loan	12 %	Repayable on Demand	112.48
Madhusudan Auto biz Pvt Ltd	Business Loan	6 %	Repayable on Demand	189.59
<b>Total Unsecured Loans</b>				<b>2095.79</b>

**For Sarvesh Gohil & Associates**

Chartered Accountants

Firm Registration no: 0156550W

Sd/-

Krupa Solanki

Membership No: 168290

UDIN: 23168290BHAUSM4003

Date: August 14, 2023

Place: Jamnagar



## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

### **Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)**

#### **Total Income:**

Total income for the financial year 22-23 stood at Rs. 12,750.57 lakhs whereas in Financial Year 21-22 the same stood at Rs. 6,651.81 lakhs representing significant increase of 91.69%. The main reason of increase was increase in the volume of business operations of the company. The volume of business increased in FY 23 majorly due to

a) increase in trading revenue

(i) Sales from trading of whole spices increased by 504.59% from Rs.627.03 lakhs in FY 21-22 to Rs.3790.99 lakhs in FY 22-23 and

(ii) Sales from trading of food grains increased by 73.17% from 1691.75 lakhs in FY 21-22 to Rs.2929.59 lakhs in FY 22-23.

b) The sales from Ground spices increased by 44.84% from Rs.2170.48lakhs in FY 21-22 to Rs. Rs.3143.63lakhs in FY 22-23

c) The sale of other grocery product increased by 11.60% from 149.01Lakhs to Rs.166.29Lakhs in FY 22-23

d) The sale of whole spices increased by 56.05% from 1616.89Lakhs in FY 21-22 to Rs.2523.15lakhs in FY 22-23.

#### **Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 22-23 was Rs.575.90 Lakhs in comparison to Rs. 81.30 lakhs in the financial year 21-22 majorly due to: factors mentioned above.

a) Increase in inventory of finished goods, which increased from Rs 448.35 lakhs in FY 22 to Rs 1382.86 lakhs in FY 23.

b) Employee benefit expenses as a % of Total income has not increased in same proportion in FY 23 as compared to FY 22. Employee Benefit Expenses as a % of Total Income decreased to 0.86% in FY 23 as compared to 1.44% in FY 22

c) Operating and Other Expenses as a % of Total income has not increased in same proportion in FY 23 as compared to FY 22. Operating and Other Expenses as a % of Total Income decreased to 2.76% in FY 23 as compared to 4.00% in FY 22.

### **Financial Year 2022 Compared to Financial Year 2021 (Based on Restated Financial Statements)**

#### **Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 21-22 was Rs.81.30 Lakhs in comparison to Rs. 44.99 lakhs in the financial year 20-21 majorly due to factors mentioned above. During the financial year 21-22 the other income of our Company increased to Rs.111.00 Lakhs as against Rs.7.15 Lakhs in the Financial Year 20-21 representing an increase of 1452.38%. The main reason of increase was due to income from Long term capital gain and income from settlement of commodities in FY 21-22

**SECTION VII – LEGAL AND OTHER INFORMATION**

**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

**A. LITIGATION INVOLVING THE COMPANY**

**(d) Tax Proceedings**

<b>Nature of Proceedings</b>	<b>Number of cases</b>	<b>Amount involved (Rs. in lakhs)*</b>
Direct Tax	1**	2.21
Indirect Tax	Nil	Nil
<b>Total</b>	<b>1</b>	<b>2.21</b>

*\*to the extent quantifiable*

*\*\* It relates to the pending Tax Deducted at Source (TDS) amount of Rs. 2.21 Lakhs which is currently displayed as outstanding on the Traces website.*

**B. LITIGATIONS INVOLVING THE DIRECTORS AND PROMOTERS OF THE COMPANY**

**(d) Tax Proceedings**

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount Involved* (Rs. In Lakhs)</b>
<b>Direct Tax</b>		
Vijaykumar Vanravan Kotecha	2**	0.34
<b>Indirect Tax</b>	Nil	Nil
<b>Total</b>	<b>2</b>	<b>0.34</b>

*\*to the extent quantifiable*

*\*\* i. Assessment Year 2011:*

An original outstanding demand of Rs. 0.08 lakhs is noted on the Income Tax website, with Demand reference no. 2018201110001545383T. Our promoter has expressed disagreement with the demand issued by the Income Tax department, resulting in an outstanding payment.

*ii. Assessment Year 2020:*

An outstanding demand of Rs. 0.24 lakhs along with accrued interest of Rs. 0.03 lakhs as of the date of filing this response letter is reported, with Demand reference no. 2023202037154979202T. Our promoter disputes the demand issued by the Income Tax department, leading to an outstanding payment.

**GOVERNMENT AND OTHER STATUTORY APPROVALS**

**IV. General Approvals**

<b>Sr. No.</b>	<b>Description</b>	<b>Applicable Laws</b>	<b>Authority</b>	<b>Registration Number</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
1.	LEI registration	-	LEI Register India Private Limited	984500B4CCD78B0FC927	December 03, 2021	December 02, 2023
2.	IEC	Foreign Trade (Development & Regulation) Act, 1992	Government of India Ministry of Commerce and Industry Directorate General of Foreign trade office of the Joint Director	AAPCM2743Q	August 18, 2022	Valid until cancelled
3.	Shop and Establishment Certificate (B/21 Paras Society BEDI Bandar Road, Jamnagar, Chember Road Grain Market, Jamnagar	Gujarat Shops and Establishments (Regulations of Employment and Conditions of service) Act, 2019	Jamnagar Municipal Corporation	2308230401000019	August 23, 2023	Valid until cancelled

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Rishit Dayalaji Kotecha Chairman & Managing director DIN: 00062148	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Hiren Vijaykumar Kotecha Whole- Time director DIN: 02519243	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Dayalji Vanraavan Kotecha Non-Executive Director DIN: 00062412	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Vijaykumar Vanraavan Kotecha Non-Executive Director DIN: 02519234	Sd/-

Date: September 04, 2023

Place: Jamnagar

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Foram Rishit Kotecha Non-Executive Director DIN: 10061711	Sd/-

Date: September 04, 2023

Place: Jamnagar



### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

#### **SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Mayuri Hiren Kotecha Non-Executive Director DIN: 10076493	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Hasmukhbhai Ishwarlal Hindocha Independent Director DIN: 09453805	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Parth Bipin Sukhparia Independent Director DIN: 10118279	Sd/-

Date: September 04, 2023

Place: Jamnagar

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Chintan Ashokbhai Mehta Independent Director DIN: 05355776	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Kirit Vallabhbhai Dharaviya Chief Financial Officer	Sd/-

Date: September 04, 2023

Place: Jamnagar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by 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 Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Megha Dilipkumar Madani Company Secretary and Compliance officer M.NO.: A52940	Sd/-

Date: September 04, 2023

Place: Jamnagar