

DANGEE DUMS

DANGEE DUMS LIMITED

(Formerly known as Aromen Hospitality Private Limited/Dangee Dums Private Limited) Corporate Identity Number: L55101GJ2010PLC061983

Our Company was originally incorporated on August 13, 2010 as “Aromen Hospitality Private Limited” vide Registration no. 061983 (CIN:L55101GJ2010PLC061983) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to “Dangee Dums Private Limited” vide Shareholder’s Resolution passed at the Extra Ordinary General Meeting of the Company held on 19th June, 2017 and a fresh Certificate of Incorporation dated 30th June, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Later, our Company was converted into Public Limited Company and consequently name of company was changed from “Dangee Dums Private Limited” to “Dangee Dums Limited” vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on 01st August, 2017 and a fresh certificate of incorporation dated 24th August, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad. Company Incorporation Number (CIN) of the Company is L55101GJ2010PLC061983. On September 03, 2018 shares of the company were listed on NSE EMERGE (SME).

Registered Office: 4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad-380014, Gujarat, India.
Contact Person: Ms. Khushboo Parikh (Company Secretary & Compliance officer) **Tel No:** 079-27681878, **E-mail:** cs@dangeedums.com **Website:** www.dangeedums.com

Promoter of our Company: Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel

INFORMATION MEMORANDUM FOR MIGRATION OF 1,02,65,000 EQUITY SHARES OF RS. 10 EACH FULLY PAID UP FROM SME PLATFORM OF NSE EMERGE TO MAIN BOARD OF NSE LIMITED

NO EQUITY SHARES ARE PROPOSED TO BE SOLD / OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of DANGEE DUMS LIMITED unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of DANGEE DUMS LIMITED. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

ABSOLUTE RESPONSIBILITY OF DANGEE DUMS LIMITED

DANGEE DUMS LIMITED having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to DANGEE DUMS LIMITED, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of DANGEE DUMS LIMITED are listed on the NSE EMERGE and are proposed to be listed on the main board of NSE Limited.

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED

SEBI Regn. No. INR000001385

Website: www.bigshareonline.com

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SECTION 1 –GENERAL**DEFINITIONS AND ABBREVIATIONS**

This Information Memorandum uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Information Memorandum but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of Articles of Association” shall have the meaning ascribed to such terms in such sections.

General Terms

Terms	Description
DDL, the Company, our Company and Dangee Dums Limited	Dangee Dums Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at 4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India
we, us and our	Unless the context otherwise indicates or implies, refers to our Company
you, your or yours	Prospective investors in this Issue

Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Dangee Dums Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Dangee Dums Limited being M/s J. T. Shah & Co., Chartered Accountants, Ahmedabad.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015
Bankers to the Company	ICICI Bank Limited
Board of Directors /the Board / our Board	The Board of Directors of Dangee Dums Limited, including all duly constituted Committees thereof.

CIN	Corporate Identification Number.
Chief financial Officer	The Chief financial Officer of our Company being Mr. Ketan Jagdishchandra Patel
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Khushboo Parikh
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Terms	Description
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise Specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Directors	Executive Director is the Managing Director and Whole-time Director of our Company.
Factories	Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj Ahmedabad -382405
Group Companies	The word —group companies, wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in—Our Group Companies promoted by the Promoters of this Information Memorandum.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive & independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India

ISIN	International Securities Identification Number. In this case being INE688Y01014.
IT Act	The Income Tax Act,1961 as amended till date
Key Management Personnel/KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act ,2013.For details,see section entitled –Our Management of this Information Memorandum.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Dangee Dums Limited as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Outlets	The Company has 45 outlets.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s J. T. Shah & Co., Chartered Accountants, Ahmedabad.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the Jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel.

Terms	Description
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled-Our Promoters and Promoters Group of this Information Memorandum.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
ROC/Registrar of Companies	Registrar of Companies, Ahmedabad, Gujarat
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Shareholders	Holders of Equity Shares of our Company from time to time
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.

Subscriber to MOA	Initial Subscriber to MOA & AOA being Mr. Mrudang Jambusarai and M/s. Nirman Infracon Private Limited.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Stakeholders Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

Technical and Industry Related Terms

Terms	Full Form
CMP	Cut/Make/Pach
CSO	Central Statistics Organisation
DG Sets	Diesel Generator Set
EM	Entrepreneurship Memorandum
GIDC	Gujarat Industrial Development Corporation
HP	Horse Power
IEC	Import Export Code
MW	Megawatt
M & A Activity	Merger and Acquisition Activity
NASSCOM	The National Association of Software and Services Companies
MT	Metric Tonne
PT	Per Tonne
R&D	Research & Development
SSI	Small Scale Industries
Sq. Mtrs.	Square Meters
TPD	Tonnes per Day
TPM/tpm	Tonnes per Month
UK	United Kingdom

ABBREVIATIONS

Abbreviation	Full Form
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch

Abbreviation	Full Form
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee State Insurance Corporation
EPFA	Employees Provident Funds and miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board

FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	-Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FTA	Foreign Trade Agreement.
FTP	Foreign Trade Policy, 2009
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value

Abbreviation	Full Form
Gol/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GJ	Gujarat
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration

M. Com	Master of Commerce
MD	Managing Director
Mn	Million
M.P.	Madhya Pradesh
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account

Abbreviation	Full Form
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement

SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from

Abbreviation	Full Form
WTD	Whole time Director
YoY	Year over Year

The words and expressions used but not defined in this Information Memorandum will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the SEBI Act), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in —Main Provisions of the Articles of Association, —Statement of Tax Benefits, —Industry Overview, —Regulations and Policies, —Financial Information of the Company, —Outstanding Litigation and Material Developments and —Part B of —Issue Procedure, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

All references in the Information Memorandum to —India are to the Republic of India. All references in the Information Memorandum to the—U.S, —USA or —United States are to the United States of America.

In this Information Memorandum, the terms —we, —us, —our, the —Company, —our Company, —Dangee Dums Limited and—DDL, unless the context otherwise indicates or implies, refers to Dangee Dums Limited. In this Information Memorandum, unless the context otherwise requires, all references to one gender also refers to another gender and the word—Lac / Lakh means —one hundred thousand, the word —million (mn)means —Ten Lac / Lakh, the word—Crore means —ten million and the word —billion (bn)means —one hundred crore. In this Information Memorandum, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Information Memorandum, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Information Memorandum is derived from our financial statements prepared the period ended March 31, 2020 and 2019in accordance with Indian GAAP, the Companies Act and SEBI(ICDR)Regulations,2009 included under Section titled—Financial Information of the Companyl beginning on page 238 of this Information Memorandum. Our Company does not have a subsidiary Company. Accordingly, financial information relating to us is presented on a Standalone basis and consolidate basis. Our fiscal year commences on April 1st of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (-IFRS) and the Generally Accepted Accounting Principles in the United States of America(“U.S.GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Information Memorandum will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Information Memorandum should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own ad visors regarding such differences and their impact on our financial data.

Any percentage amounts ,asset for thin—Risk Factors,—Our Business,—Management’s Discussion and Analysis of Financial Condition and Results of Operationsl and elsewhere in the Information Memorandum unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI(ICDR)Regulations,as stated in the report of our Peer Review Auditor,set out in section titled—Financial Information of the Company of this Information Memorandum.

For additional definitions used in this Information Memorandum, see the section Definitions and Abbreviations of this Information Memorandum. In the section titled —Main Provisions of Articles of Association, of the Information Memorandum defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Information Memorandum was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein

has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Information Memorandum is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Currency of Financial Presentation and Exchange Rates

All references to "Rupees" or—"INR" or—"Rs. Are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled—Industry Overview throughout the Information Memorandum all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Conditions and Results of Operation in the Information Memorandum, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Information Memorandum may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENT

This Information Memorandum includes certain —forward-looking statements. We have included statements in the Information Memorandum which contain words or phrases such as will, aim, is likely to result, believe, expect, will continue, anticipate, estimate, intend, plan, contemplate, seek to, future, objective, goal, project, should, will pursue and similar expressions or variations of such expressions, that are forward-looking statements. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Disruption in our manufacturing facilities.
2. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
3. Changes in laws and regulations relating to the industries in which we operate;
4. Disruption in supply of Raw Materials.
5. Increased in prices of Raw Material and Power.
6. Occurrence of Environmental Problems & Uninsured Losses.
7. Increased competition in industries/sector in which we operate;
8. Our ability to meet our capital expenditure requirements;
9. Fluctuations in operating costs;
10. Our ability to attract and retain directors and KMP;
11. Changes in technology;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties; and
15. The performance of the financial markets in India and globally; and
16. Any adverse outcome in the legal proceedings in which we are involved.
17. The availability of finance on favourable terms for our business and for our customers;

18. Competition;
19. Significant developments in India's economic and fiscal policies;
20. Our ability to attract and retain consumers and job workers;
21. Our ability to meet our capital expenditure requirements;
22. Shortage of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply market;
23. Failure to comply with environmental, labour, health and safety laws and regulations may affect our business;
24. Our ability to obtain the necessary licenses in timely manner.

For further discussion of factors that could cause our actual results to differ, see the Section titled —Risk Factors;—Our Business & and—Management's Discussion and Analysis of Financial Condition and Results of Operations of the Information Memorandum. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, respectively, as well as the other financial and statistical information contained in this Information Memorandum. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the shares of the Company and us.

This Information Memorandum contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Information Memorandum. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in the shares of the Company unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Information Memorandum, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” and “Management Discussion and Analysis of Financial Condition and Results of Operations” respectively of this Information Memorandum unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Information of the Company” prepared in accordance with the Indian Accounting Standards.

INTERNAL RISK FACTORS

- 1. Our Company operates its Business through its own outlets at various locations, therefore, it always a challenge to keep and maintain brand value among customers.***

At present the Company has opted to establish and run its outlets by itself (i.e. all our outlets are self-operated and we do not operate through franchisees) to sell and distribute its products viz. cakes, pastries, ice-cream under its own Brand name —DANGEE DUMS. All the products sold at the company operated outlets are produced and manufactured at the company’s own manufacturing facilities except the products relating to bakery segments. The Company sells the bakery products like cookies, nachos and beverages like soda on the trading terms under the brands of the respective manufacturers.

The existing business structure of the Company requires its store staff to have a direct customer interface, therefore the Company is required to train its staff to interact with customers in a professional manner in order

to maintain its brand value amongst its customers. However, the store staff is not highly qualified or educated and at times it is a challenge to train them up to the company's and customers expectations. The Company regularly arranges programmes to assess the level of satisfaction of its customers and also arranges training and motivational programmes to train its staff to deal and interact with customers. Although we have not experienced any material complaints relating to the assesses and dealing of our staff from customers in the past, there can be no assurance that there will not be any complaints relating to the conduct/ assesses and dealing of our staff in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, reputation, results of operations and financial condition could be materially affected.

2. *We are supplying mainly to retails customers through our various retail outlets, therefore, maintaining quality and taste of our products are major challenge.*

The major customers of the company are retail consumers and our products are sold from our self-operated outlets. As of now, no business house/ whole-seller/ distributor is our customer and all our customers are retail customers. Apart from sale of regular types of cakes pastry and ice-cream, we also receive orders from customers for cakes and we prepare the same according to their demand.

As on date, our product is very well appreciated and acknowledged by our customers. However, in times of tough competition, we cannot assure you that the preference and taste of customers will not undergo a change and any shift in customer base to a new competitor may affect our sales. Further, the company has started to explore big corporate orders, party orders, and also big event orders, however we cannot assure you that we will always be able to meet the expectation of such big customers.

3. *We self operate our outlets and accordingly expansion may put a strain on our resources and require fresh hiring.*

As on the date of this Information Memorandum, we have 45 outlets under brand name Dangee Dums. All our 45 stores are operated by the Company itself and we have not given out any outlets to franchisees to operate. Self operation implies that every decision and action is undertaken by the Company's own resources and each store is operated by employees of the Company. If we wish to expand further, we may be required to hire more staff and that will require further investments and expenses to be incurred by the Company. Further, if we are unable to identify suitable staff, it may put a strain on our existing staff. Further, fresh recruitments would mean increased expenses for the Company having an impact on the financials of the Company. We cannot assure you that we will be able to find suitable staff for new stores or that the staff would not move to another competitor after gaining training at our stores and the same may affect our business and it may put a strain on our existing staff leading to further attrition.

4. *Our existing Outlets are mainly in cities of Gujarat viz. Ahmedabad, Vadodara (Baroda), Anand, and Gandhinagar.*

As on the date, the Company has total 45 outlets spreading in the cities of Gujarat viz. Ahmedabad, Vadodara (Baroda), Anand and Gandhinagar. The details of numbers of outlets in each of the cities are as under

Ahmedabad: 37

Vadodara (Baroda): 4

Anand: 2

Gandhinagar: 2

As the present market of the products of the Company is concentrated in the above referred cities of Gujarat therefore any change in food habits of the population of these cities can affect the business and financial performance of the Company. As business is primarily concentrated in these cities, any loss of reputation

suffered due to quality issues, service standards or otherwise in either of these cities would have a cascading effect leading to significant loss of business.

Further, the Company has closed all its 19 stores including its major store category under brand name “DANGEE DUMS” AND “DANGEE DUMS YUMS” in Surat. It is to be noted that the stores in Surat had contributed total revenue of Rs. 4,18,93,550/- in Financial Year 2019-20 and Rs. 5,64,94,315/- in the Financial Year 2018-19 which constitutes 11.85% and 14.74 % of total revenue of the concern financial year respectively. The closure of all the stores of the Company in Surat (Gujarat) will result negative to its total revenue in the current financial year it will save the company from prospective cash loss due to non-viability of the stores arose out of the present pandemic and the Company also does not see any major improvements in the performance of the stores in Surat City.

5. ***The existing manufacturing facility of the company at Ahmedabad can cater to the needs of the cities in Gujarat. In case the company intends to expand to other states it will have to replicate the fresh manufacturing facility in that state and monitoring the same may prove challenging.***

At present the company intends to continue carrying on its operations out of the cities in which it operates currently. The manufacturing facility of the Company at Piplaj, Ahmedabad caters to the needs of all such existing outlets, which are all based in the state of Gujarat. Products are manufactured at its manufacturing facility and distributed to all the stores in a time-efficient manner at the same time the quality and taste of the products is also maintained. However, in case the Company plans to expand its operations beyond Gujarat, the current facilities at our manufacturing unit at Piplaj may not be able to cater to such new states as well. While our management is confident of managing the operations considering the on hand experience it has acquired over the years, we may be required to establish a new manufacturing unit in the new states taking into account the distance and travel time from the manufacturing unit to the stores such that the quality and taste of our products is maintained. Such new manufacturing unit would require fresh investment and may affect our finances.

6. ***The loss, shutdown or slowdown of operations at our manufacturing facility and any of distribution outlets or the under-utilization of any such facilities may have a material effect on our results of operations and financial condition.***

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition;
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities; and
- Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

7. ***Our Main Products viz. Cakes, Pastries and Ice-creams are perishable items having very short shelf life.***

The main products of the company are Cakes, Pastry and Ice-cream and these products have very short shelf life.

Further, the nature of products of the company also requires refrigerator storage facility at its outlets.

Our volume of sales varies on a day to day basis and it is difficult to estimate the exact market demand for a particular product on a certain day. While some customers do place orders in advance, there are many walk-in customers who seek the products over the counter. As our products are perishable in nature, excess production leads to wastage of products having a negative impact on the financials of the Company. On the other hand, constant shortage of products may lead to a loss of reputation amongst customers. We have ERP software to maintain and regularly update the real time inventory level of various products and we plan our production and transportation accordingly.

If we fail to plan our production and transportation which cause escalation in inventory level of our business and the results of operations and financial condition could be materially affected. While we strive to serve our customers at the best levels, we cannot assure you that the Company will be able to maintain constant supplies at all points of time and that it would not have a negative impact on our reputation. Further, as our storage at outlets are in refrigerator facility and therefore any major power failure could affect our business and results of operations and financial condition.

8. *We may not be able to adapt to changing market trends and customer requirements in the cake, pastry and Ice-cream market in a timely manner, or at all.*

The market for cake, pastry and ice-cream in the country is highly competitive with several players present in various segments in brick and mortar stores. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products and their prices on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. For instance, procurements of raw materials for a season begins well in advance of the season and we may not be able to incorporate the prevalent trends, or accommodate any sudden emergence of a new trend that may be relevant to that season. If our competitors are able to cater to these markets, or if we are not able to anticipate the demand, or misjudge the quantity, inter alia, this could lead to lower sales, higher inventories and higher discounts, each of which could have a material effect on our brand, reputation, results of operations and financial condition.

9. *We have not entered into any long-term agreements with our suppliers for procuring our raw material and accordingly may face disruptions in supply from our current suppliers.*

We are in the business of manufacturing of Cakes, Pastry and Ice-cream. We procure raw material from local traders, dealer and / or manufacturers. Since, these orders are given according to specific requirements, no specific agreement / MoU have been entered into between our Company and our suppliers and we typically transact on an invoice basis for each order. These suppliers provide us the raw material based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw the orders from us at any time. There can be no assurance that there will not be a significant disruption in the supply of these raw materials from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw material of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices. If we are unable to maintain our relationship with our current raw material suppliers it may prove difficult to obtain the same from other regulated players.

Any delay, interruption or increased cost in the supply of our products arising from a lack of long-term contracts could have an effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

10. To Distribute/transport our products to various outlets of the Company requires certain skill to preserve and maintain the quality and nature of our products and therefore is costly.

In order to maintain standard quality across all stores, all our products are centrally manufactured at our factory at Piplaj-Pirana Road, Piplaj, Ahmedabad. The products are then transported through its own vehicles from the factory to all locations including some locations which are at a distance like Vadodara (Baroda) and Anand. As the products of the company have a very short shelf life, they are required to be transported in Refrigerator Van.

Looking at the nature and type of products of the company, the company has to take extra care to transport and distribute its products to various locations and also train its staff for the same. To create such facility and to maintain the same are costly and requires significant investments. The company has to carry out day to day maintenance of such specialized transport vehicles, which cause substantial cost to the company. Any disruption in refrigeration facility in our transportation vehicle could result in damage in quality and nature of our products and in turn may lead to losses to the company. Further, if we expand other areas, the company will need to purchase more of such specialized vehicles which would further increase our expenses thereby having an impact on the company's financials.

11. Our Company, Promoters, Group Companies 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 and may adversely affect our business and results of operations.

Our Company, Promoters, Group Companies and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/ statutory authorities against our Company, Promoters, Group Companies and Directors have been set out below.

Litigation against our Company:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Crore)
Criminal Litigation	NIL	--
Action by Statutory & Regulatory Authorities	NIL	--
Taxation Liabilities (Direct Tax)	NIL	--
Other Pending Litigation	NIL	--
Notices Served against the company	1	--

Litigation against our Director and Promoter:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Crore)
Criminal Litigation	1	Not ascertainable
Civil Litigations	2	Not ascertainable

Action by Statutory & Regulatory Authorities	NIL	--
Taxation Liabilities (Direct & Indirect Tax)	2	4.90

Litigation against our Group Companies:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Crore)
Criminal Litigations	--	--
Civil Litigations	3	0.46
Action by Statutory & Regulatory Authorities	--	--
Taxation Liabilities (Indirect Tax)	1	15.00
Other Pending Litigation	--	--
Notices Served against the company	1	1.15

Litigation by our Group Companies:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Crore)
Criminal Litigations	--	--
Civil Litigations	6	0.90
Action by Statutory & Regulatory Authorities	--	--
Taxation Liabilities (Indirect Tax)	--	--
Other Pending Litigation	--	--

For further details, see Outstanding Litigation and Material Developments of this Information Memorandum.

We cannot predict the outcome of the above legal proceedings. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Promoters, Group Companies and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

12. Our inability to predict accurately the demand for our products and to manage our production and inventory levels could materially and adversely affect our business, financial condition, results of operation and prospects.

We sell our products directly to our end consumers from our self-operated outlets. We monitor our inventory levels at different stages of our supply of chain based on our own estimates of future demand for our products.

Our end consumers generally make purchasing decisions for our products based on market prices, consumer

preferences, perishability of products, economic and weather or climatic conditions and certain other factors that we may not be able to anticipate accurately in advance. Any negative change in preferences of our end consumers for our products could result in reduced demand for our products and adversely affect our business, financial condition, results of operation and prospects.

13. *Our business is manpower intensive and our business may be affected if we are unable to obtain or retain employees on contract or at commercially attractive costs.*

Our success depends on our ability to attract, hire and retain skilled and unskilled labour. Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the Cake, Pastry and Ice-cream sector in India. There can be no assurance that attrition rates for our employees, particularly our sales personnel, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our business. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be affected.

Additionally, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

14. *Continued operations of our manufacturing and distribution facilities are critical to our business and any disruption in the operation of our facilities may have a material adverse effect on our business, results of operations and financial condition. Pandemic like Covid-19, 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*

We operate one manufacturing facilities in Piplaj, Ahmedabad, Gujarat and our manufacturing facilities is subject to the usual operating risks, such as unavailability of machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Our machines have limited lives and require daily cleaning as well as annual over hauling maintenance. Further, some of the important machinery like ovens, Horizontal Slicer, Cake Slicer, Model CT808, Batch Freezer are from outside India. The service and repair centers for such imported machinery may not be available in India. In the event of a breakdown or failure of such machinery, replacement parts may not be available in India and such machinery may have to be sent for repairs or servicing to the country from where it was procured. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects. Further, 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. For further details of our Plant and Machineries, please refer to chapter titled —Our Business of the Information Memorandum.

In addition, our products are perishable in nature having shelf life of 3-4 days and therefore rely significantly on the timely delivery of our products. Further, we also supply our products for specific orders, which requires timely delivery and therefore, our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption of operations of our manufacturing facilities could result in delayed delivery of our

products leading to shorter shelf life on selling counters, non-availability, non-acceptance of specific orders and these may lead to losses to the company. Our business and financial results may be adversely affected by any disruption of operations of our manufacturing facilities, on account of factors including any or all of the factors mentioned above.

Further, due to COVID-19, the Company had to shut down all its outlets and manufacturing facilities from March 22, 2020, which has impacted negatively to its business operation and financial position. Further, the Company has closed all its 19 stores including its major store category under brand name “DANGEE DUMS” AND “DANGEE DUMS YUMS” in Surat. It is to be noted that the stores in Surat had contributed total revenue of Rs. 4,18,93,550/- in Financial Year 2019-20 and Rs. 5,64,94,315/- in the Financial Year 2018-19 which constitutes 11.85% and 14.74 % of total revenue of the concern financial year respectively. The closure of all the stores of the Company in Surat (Gujarat) will result negative to its total revenue in the current financial year it will save the company from prospective cash loss due to non-viability of the stores arose out of the present pandemic and the Company also does not see any major improvements in the performance of the stores in Surat City .

Further the Company might incur loss or witness adverse effect in the operations of the Company because the above mentioned circumstances.

- **License under the FSSAI (storewise)**

Out of the 45 outlets, the manufacturing facility at Piplaj for which the licenses are required, licenses for all the outlets, the manufacturing facility at Piplaj have been obtained except 1 which is under process.

- **Registration under the Gujarat Shops and Establishment Act, 1948 (storewise)**

Out of the 45 stores, the manufacturing facility at Piplaj for which the license is required, all the outlets have obtained license except 3 for which the requirement of license is not applicable and 1 which is under process.

- **Registration for Professional Tax (storewise)**

Out of the 45 stores, the manufacturing facility at Piplaj for which the license is required, all the outlets have obtained license except 1 for which the requirement of license is not applicable and 1 which is under process.

- Some of the Licenses are in the erstwhile name of the Company, Aromen Hospitality Private Limited, while in some licenses the name has been changed to Dangee Dums Limited, and in some other cases the company has applied for name change to the concerned Authority.
- Some licenses are not in the name of the Company though they relate to the address where an outlet of the Company is being run. In all such cases, the company has not applied to the concerned authority for change of address.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

15. *Most of the trademarks used by our Company are registered in the name of our Director, Nikul Jagdishchandra Patel*

Our promoter, Mr. Nikul Jagdishchandra Patel, has applied for certain trademark which are similar to the marks used and registered in the name of the Company. Two of such marks (bearing nos. 2984820 under class 43 and 2985423 under class 29) have been granted registration and three others (bearing nos. 2985422 under class 30, 2985421 under class 43 and 2984821 under class 43) are registered. While Mr. Nikul Jagdishchandra Patel has undertaken through affidavits dated September 18, 2017 to transfer all the above trademarks in favour

of the Company, in the event he does not adhere to the same, the interests of the Company may be prejudiced and the Company may be prevented from using such marks without the consent of Mr. Nikul Jagdishchandra Patel. In case of such consent not being granted, the Company may be prevented from rightfully using the marks registered in favour of Mr. Nikul Jagdishchandra Patel.

16. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to developed relationships with customer and suppliers. For further details, see the section titled Our Business – Our Strategies of this Information Memorandum. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our entry into new business verticals of ice-cream production and distribution
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field of Food and Beverages

There can be no assurance that we will be able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. We cannot assure you that we will not face any time or cost overruns in respect of implementation of our strategies in the future. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

17. *We have our own transportation and distribution arrangement for our transportation and distribution needs. Any disruptions may affect our operations, business and financial condition.*

We have an in-house transportation and distribution facility for supply and distribution of our products to our various outlets situated in Ahmedabad, Vadodara (Baroda), Anand, and Gandhinagar. The Company owns 4 (four) Mahindra Bolero (Refrigerator Van), 6 (six) Isuzu (Refrigerator Van), 1 (one) TATA 207 (Refrigerator Van), 1 (One) Eicher 1059 (Refrigerator Van), 2 (Two) Tata Ace and 13 (Thirteen) Motor Cycles. We depend and rely on these transportation and other logistic facilities.

As we have our transportation facility to cater to our requirement, we do not require to hire any outside transportation company/ies from our Factory to all the outlets. In case of failure of our transportation vehicles due to any reason, we may require transportation services of third party transportation companies. As our products are specific in nature we require refrigerator van for transportation.

Our operations and profitability are dependent upon the continuous availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations, profitability, reputation and market position.

18. *Our business depends on the performance of its information technology systems and any interruption or abnormality in the same may have an impact on our business operations and profitability.*

We have an ERP system which integrates and collates data of purchase, sales, reporting, accounting, stocks, etc., from all the places of operations. We utilise our information technology systems to monitor all aspects of our business and rely to a significant extent on such systems for the efficient operation of our business, including, monitoring of inventory levels, allocation of products and budget planning. Our information technology systems may not always operate without interruption and may encounter abnormality or become obsolete, which may affect our ability to maintain connectivity with our factories and office. We cannot assure you that we will be successful in developing, installing, running and migrating to new software system or systems as required for our overall operations. Even if we are successful in this regard, significant capital expenditures may be required, and we may not be able to benefit from the investment immediately. All of these may have a material impact on our operations and profitability. The ERP system deployed by us has been purchased. The regular maintenance and upgrade of the ERP system is carried out by the vendor, at costs to be incurred by the Company. Any failure in this ERP system may necessitate the Company to switch to a different system, implementation of which may result in significant costs to the Company.

Also, our Company cannot guarantee that the level of security it presently maintains is adequate or that its systems can withstand intrusions from or prevent improper usage by third parties. Our Company's failure to continue its operations without interruption due to any of these reasons may affect our Company's results of operations.

19. *We are dependent on 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 senior management and other key personnel, including our Promoters and Directors. We believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see —Our Management of this Information Memorandum. 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 require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. 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 cashflows.

20. *Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.*

As on March 31, 2020, our total secured borrowings amounted to Rs. 1517.86 Lakhs. Our leverage has several important consequences, including the following:

- A portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures and other general corporate purposes;
- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;
- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest;and

- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in shareholding or directorship of our Company, draw down of further loans, or taking up a new scheme of expansion or line of business, issuance of guarantees, and for certain corporate actions, including alterations to our Memorandum and Articles of Association. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and therefore, have an effect on our business, results of operations and prospects.

21. ***Most of the immovable properties used by us are leased/taken on leave and license basis. If we are unable to renew existing leases/ leave and license or relocate operations on commercially reasonable terms, there may be an effect on our business, results of operations and prospects.***

We own one property in Bopal area in Ahmedabad. We typically enter into long-term leases, which are renewable in every nine years. Periodic renewals of short-term leases may increase our costs, since they are subject to rent escalation. Further, if we are required to relocate any of our factories, godown, office and our retail outlets as a result of any termination or non-renewal of our leases, we may incur additional cost as a result of such relocation. Further, our Registered Office is owned by some of our Promoters and used by us on the basis of a No Objection Certificate issued by the concerned Promoters. The Company has not entered into any legally valid and binding agreement to use the registered office. Although the company is in the process of executing a leave and license agreement for the premises on arms length basis, until such time, in the event there arises any dispute regarding the company's use of the premises, we may be unable to enforce our rights towards the property, which may affect our business and operations and we may have to relocate our Registered Office. Further, it is to be noted that all of our existing retail outlets in all cities where we are present are taken on lease by the company and looking to the nature of industry in which the company operates any change in location of existing retail outlets may cause extra cost to the company to make aware the consumers about the change of locations of outlets. Hence, any failure or difficulty faced by us in renewing leave and license / leases, or disputes or other problems that we may face in the future with lessees may affect our business and prospects. For further details of our Properties, please refer to section titled —Our Business of this Information Memorandum.

22. ***We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.***

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

(Amt in Lakhs)

Particulars	For the year ended March 31,				
	2020	2019	2018	2017	2016
Net Cash from (used in) Operating Activities	223.75	658.15	(211.45)	184.64	307.53
Net Cash from (used in) Investing Activities	(826.65)	(1122.37)	(852.58)	(1151.22)	(878.19)

Net Cash from (used in)	(326.43)	522.44	1226.35	771.15	811.64
Financing Activities					
Net Cash Flow	(929.33)	58.22	162.32	(195.43)	240.98

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled —Financial Information of the company of this Information Memorandum.

23. *We may be unable to enforce our rights under some of our agreements with counter-parties on account of insufficient stamping and non-registration or other reasons.*

We enter into agreements with third parties, in relation to leave and license / leasing of our offices, factories godown and outlets from where we operate our business. The terms, tenure and the nature of the agreements may vary depending on, amongst other things, the subject matter of the agreement and the third party involved. Some of the agreements executed by us may be not registered, sufficiently stamped or may not otherwise be enforceable. Inadequately stamped documents may be impounded by the appropriate authority. Such inadequately stamped or not registered documents may not be admissible in evidence in a court of law until the applicable stamp duty, with penalty, has been paid and registered, which could, therefore, impact our ability to enforce our rights under the agreements in a timely manner or at all.

We cannot assure you that we would be able to enforce our rights under such agreements or in respect of such immovable properties, and any inability to do so, could impair our operations and affect our financial condition, cash flows and results of operation.

24. *Our inability to maintain an optimal level of inventory in our factories, Godown and outlets may impact our operations and Business.*

We estimate our sales based on the forecast, demand and requirements of our Products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products. We typically maintain inventory levels of raw material and finished goods that are sufficient for a few days of operation.

Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or natural conditions may impact the supply of raw material. Should our supply of raw material be disrupted, we may not be able to procure an alternate source of supply of raw material in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially affect our business, profitability and reputation. In addition, disruptions to the delivery of products may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or disrupt supply of these products. Further, if there will be situation of under-stock inventory, our ability to meet customer demand and our operating results may be affected. Any mismatch between our planning and actual production and demand could lead to potential excess inventory or out-of-stock situations, either of which could have an effect on our business, financial condition and results of operation.

25. *Increases in interest rates may materially impact our results of operations.*

Substantially all of our secured debt carries interest at floating interest rates or at rates that are subject to adjustments at specified intervals. We are exposed to interest rate risk in respect of contracts for which we have not entered into any swap or interest rate hedging transactions, although we may decide to engage in such

transactions in the future. We may further be unable to pass any increase in interest expense to our existing customers. Any such increase in interest expense may have a material effect on our business, financial condition, results of operations and cash flows. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counter-parties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

26. *If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.*

On March 31, 2015, the Ministry of Finance, Government of India has issued Income Computation and Disclosure Standards (—ICDS), a new framework for computation of taxable income by all assesses. All assesses would be required to adopt these standards for the purposes of computation of taxable income under the heads —Profit and Gains of Business or Profession and —Income from Other Sources. These standards are applicable for the previous fiscal commencing April 1, 2016, i.e., assessment year 2017 – 18 onwards.

New or re-revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

27. *Our Group Company have incurred losses in past and any operating losses in the future could affect the results of operations and financial conditions of our group companies.*

The details of profit and loss of our Group Company in past years are as follows:

Name of the Group Company	Profit/ (Loss) for the year ended (Amount in Lakhs.)				
	31 st March 2020	31 st March 2019	31 st March 2018	31 st March 2017	31 st March 2016
In Rs.	(Provisional)	(Audited)	(Audited)	(Audited)	(Audited)
Nirman Infracon Private Limited	(12,583)	(12629)	(12642)	(12278)	(27,619)

Any operating losses could affect the overall operations and financial conditions of the Group. For more information, regarding the Company, please refer chapter titled —Our Group Companies of this Information Memorandum.

28. *We have significant power requirements for continuous running of our factory and outlets. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.*

Our factory, office and outlets have significant electricity requirements and any interruption in power supply to our factory, office and outlets may disrupt our operations. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may impact our business margins.

Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of our stores and distribution centers. There are limited number of electricity providers in area—**DANGEE DUMS LIMITED**

from where we operate due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

29. *Our Company requires significant amount of capital for continued growth and our inability to secure future loan facilities from new lenders on favourable terms to meet our capital requirements may have an effect on our results of operations.*

Our business is capital intensive and requires significant amount of capital for production and maintenance of inventory levels and establishments of new outlets.

In addition to the requirement of funds as provided in Objects of the Issue of this Information Memorandum, we may need to obtain additional financing in the normal course of business from time to time as we expand our operations. We may not be successful in obtaining additional funds in the future from new or existing lenders in a timely manner and/or on favourable terms including rate of interest, primary security cover, collateral security, terms of repayment, or at all. Moreover, certain of our loan documentations contain provisions that limit our ability to incur future debt. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our plans or growth strategies or reduce capital expenditures and the size of our operations.

Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could affect our financial condition and result of our operations.

30. *Our Company has in the past entered into related party transactions and may continue to do so in the future.*

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Financial Information contained in this Information Memorandum with related parties that include our Promoters and Directors and Group Companies. For further details in relation to our related party transactions, see-*Related Party Transactions* of this Information Memorandum. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, including specific compliance requirements such as obtaining prior approval from audit committee, the board of directors and shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have a material effect on our financial condition and results of operations.

31. *Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.*

We endeavour to meet necessary safety standards in relation to our operations at our factory godown and outlets. However, certain accidents or mishaps may be unavoidable or may occur on account of negligence or human error of operations could also harm our reputation. Such accidents may have an impact on our business and reputation.

32. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Some of our Directors are interested in our company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Although our directors practice high ethical and professional conduct and we expect them to perform all obligations in accordance with the fiduciary

duty the to the Company, we cannot assure you that our Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby affecting our business and results of operations and prospects.

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

Our Company is engaged in business of manufacturing of cakes, pastry and ice cream which attracts tax liability such as Goods and Service Tax (GST) and other applicable provision of the Acts. Although the Company has been depositing the return under above applicable acts, any demand or penalty may be raised by concerned authority in the future for any previous year and current year, which will affect the financial position of the Company. Any such penalty arising in the future may lead to financial loss to our Company.

34. *Our Promoters have provided personal guarantees and personal property as collateral security for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.*

Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel, our Promoters have personally guaranteed the repayment of loan facilities taken by us either jointly and/or severally. As at March 31, 2020, outstanding amounts from loan facilities personally guaranteed by Mr. Nikul Jagdishchandra Patel was Rs 30,95,507/- and jointly by all the three promoters was Rs.14,63,62,066/-. Additionally, Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel, our Promoters have provided personal property as collateral security for some of the credit facilities obtained by the company.

Also, CFO of our company Mr. Ketan Jagdishchandra Patel has personally guaranteed the repayment of loan facilities taken by us. As at March 31, 2020 outstanding amounts from the loan facilities by Mr. Ketan Jagdishchandra Patel was Rs. 23,28,892/-

Any default or failure by us to repay its loans in a timely manner, or at all could trigger repayment obligations on the part of Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel, in respect of such loans, or could require Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel, to discharge such loans against the property secured, which in turn, could have an impact on their ability to effectively service their obligations as Promoters/Directors of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individual withdraw or terminate their guarantees and collateral security, our lenders for such facilities may ask for alternate guarantees and collateral security, 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.

For further details, please refer to chapter titled—Statement of Financial Indebtedness of the Information Memorandum.

35. *Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Information Memorandum is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.*

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Information Memorandum is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials,
DANGEE DUMS LIMITED

assumptions relating to operational efficiencies, as well as assumptions in relation to the average number of cakes and pastries manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Information Memorandum. For further information, see the section titled—Our Business of this Information Memorandum. Further, under-utilization of capacity may not utilize optimum resources deployed to generate profitability.

36. *Our business operations may be materially affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

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

37. *Marketing initiatives undertaken by us may turn out to be ineffective.*

We rely on various marketing initiatives through print media, radio, hoarding etc to increase its sales. There can be no assurance that such marketing activities which may involve significant expense, will be well received by our customers and consequently such marketing activities may not result in the targeted levels of product sales or demand for products. Marketing initiatives is important for sale of our Products. This requires us to enhance our marketing strategies and experiment with new marketing methods to keep pace with industry developments and customer preferences. An inability to refine our marketing strategies or introduce targeted marketing campaigns in a cost-effective manner could reduce our market share, cause our net revenues to decline and negatively impact our profitability.

38. *Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.*

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including

(i) Fire Building and/or contents, policies against damage, fire, burglary (ii) machinery, oven and electrical equipment insurance policies;(iii) motor vehicle insurance and (iv) Money in Safe, Money Insurance, Public Liability. Our Company is not covered with sufficient insurance coverage to cover all possible economic losses, further, we may not be covered with sufficient insurance coverage to cover the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows. Further, we took insurance policy effective from the first day of the calendar year with validity upto 31st December of that year and therefore, all the outlets opened during that period remain fully uncovered till the issuance of new insurance policy for the upcoming calendar year.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are

not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, reputation, results of operations, financial condition and cash flows. For further details of our Insurance Policies, please refer section titled—Business Overview of this Information Memorandum.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we are not permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see—Dividend Policy of this Information Memorandum.

EXTERNAL RISK FACTORS

40. *Our business is dependent on economic growth in India.*

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009 several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

41. *Financial Instability and disruptions in Indian financial markets could materially and adversely affect our results of operations and financial condition.*

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

42. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.*

The company is subject to various regulations and policies. For details see section titled—Key Industry Regulations of this Information Memorandum. The company's current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and

regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse affect on the business, financial condition and results of operations.

- 43. *Our business is subject to a significant number of tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could negatively and adversely affect our results of operations.***

The revenues recorded and income earned is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. The final determination of the tax liabilities involves the interpretation of local tax laws as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax laws, could impact the determination of the tax liabilities of our Company for any year.

- 44. *Our growth and profitability depend on the level of consumer confidence and spending in India and the other jurisdictions in which we operate.***

Our results of operations are sensitive to changes in overall economic and political conditions that impact consumer spending. The cake, pastry and ice cream industry, in particular, is very sensitive to broad economic changes and retail purchases tend to decline during recessionary periods. Substantially all of our net revenues are derived from retail sales in India. Many factors outside of our control, including interest rates, volatility of the world's stock markets, inflation, tax rates and other government policies, and unemployment rates can affect consumer confidence and spending. The domestic and international political environments, including military conflicts and political turmoil or social instability, may also affect consumer confidence and reduce spending, which could in turn materially and affect our growth and profitability.

- 45. *Natural calamities , Pandemic and force Majeure events may have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. These natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of deficient or abnormal rainfall or other natural calamities in the future could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares. However, the Company has faced adverse effect due to the COVID-19 pandemic this year and may witness negative impact due to the said circumstances.

- 46. *Terrorist attacks, civil unrests and other acts of violence in India and around the region could adversely affect the markets, resulting in loss of consumer confidence and adversely affect the business, results of operations, financial condition and cash flows.***

Terrorist attacks, civil unrests and other acts of violence or war in India and around the region may adversely affect worldwide financial markets and result in a loss of consumer confidence and ultimately adversely affect the business, results of operations, financial condition and cash flows. Political tensions could create a perception that an investment in Indian companies involves higher degrees of risk and on the business and price of the Equity Shares.

- 47. *In future the company may depend on banks and financial institutions and other sources for meeting its short and medium term financial requirements.***

Any delay in the disbursement of funds from these bodies can act as a bottleneck to the project execution capabilities and thereby its results of operations. The company cannot assure that it will be able to do so on commercially reasonable terms. Any increase in interest expense may have a material adverse effect on its business prospects, financial condition and results of operations.

48. The nationalized goods and services tax (GST) regimes implemented by the Government of India may have material impact on our operations.

The Government of India has enacted a comprehensive National Goods and Services Tax (GST) regime that will combine taxes and levies by the Central and State Governments into unified rate structure. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

49. Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions

The articles of association, resolutions of the board of directors, and Indian law govern the corporate affairs of companies operating in India. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as our Company's shareholders than as shareholders of corporations in another jurisdiction.

50. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the Industry contained in the Information Memorandum.

While facts and other statistics in the Information Memorandum relating to India, the Indian economy and the Industry has been based on various government publications and reports from government agencies and other third party agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "Industry overview" of the Information Memorandum. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section has not been independently verified by us. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

GLOBAL ECONOMIC SCENARIO

The global cake market size was valued at USD 42.94 billion in 2019 and is anticipated to grow at a compound annual growth rate (CAGR) of 3.3% from 2020 to 2027. The high popularity of celebrating various types of special occasions and success through cake cutting is expected to remain a key driving force over the next few years. Moreover, rising demand for the cakes as desserts post meals during dine-out and weekend parties among millennial and Generation Z consumers across the globe is projected to expand the industry size in the near future. Over the past few years, the trend of celebrating various types of special occasions, success or any festivals, such as birthday, wedding, marriage anniversary, valentine's day, Christmas, pet's birthday, work anniversary, mother's day, and children's day, has been increasing significantly across the globe. Consumers have been increasing spending on purchasing occasion specific cakes, which is expanding the market scope.

Demand for the bakery products is also increasing significantly across the globe as they are instant, accessible, and delicious food in this rapidly urbanizing and changing lifestyles. Europe and North America have enjoyed the strong consumer base of bakery products, including cake, pastry, biscuit, and pita bread.

The market share for innovative as well as healthy products has been rising in the above-mentioned regions as a result of a growing number of health-conscious people at the domestic level. Furthermore, with the rising adoption of western lifestyle and nutrition, demand for cakes is increasing in developing economies of Asia and the Middle East.

The bakery industry has been witnessing new gains owing to changing preferences among consumers toward advanced baked variants. For instance, increasing adoption of a western-style bakery in Asian countries, including China, Japan, and South Korea, is expected to remain a favorable factor. It was estimated that the Asia Pacific accounted for almost half of the global revenue in 2019, which offers huge growth opportunities for the local as well as international bakers to launch new variants, including cakes and pastries.

(source: <https://www.grandviewresearch.com/industry-analysis/cakes-market>)

INDIAN ECONOMIC SCENARIO

The Bakery industry and India is experiencing robust growth over 9% according to a recent report. It's a huge industry a large number of people. In fact with over a million an organised small scale bakeries and more than 2000 organised or semi organised bakeries.

A large part of this market nearly 80% is captured by bread and biscuits which are items of mass consumption. In fact India is 2nd only to the US in terms of biscuit production. As breads and biscuits are fast-moving consumer goods (FMCG), they are consumed on a daily basis by the consumers, which is main reason for increases in sales of these products in India.

In addition to this, growth in the fast food chains further stimulates the demand for breads as they are used for sandwiches, burgers, snacks, etc. Moreover, introduction of value added bakery products is giving a boost to the market growth. Apart from this, busy lifestyles, changing eating habits and western influence has reflected in a strong demand for bakery products in India.

The rising trend of “Natural nutrition”, “healthy living” and “organic products” has significantly raised the consumers’ demand on whole wheat, light, natural and additive-free products. In recent years, the growth in sales of packaged, whole wheat, whole meal, gluten-free and natural products is an important indication of this new and healthy living sense.

India Cake market is forecasted to reach US\$ 882.24 million by 2024 growing at a CAGR of 12.5% during the forecast period from 2019 to 2024. As the consumption of cakes is gaining market traction, owing to consumers’ changing perceptions, as well as their convenience and health attribute, leading to a rise in popularity of on-the-go cake products, which are baked off or made at the convenience of the consumer.

As a result of urbanization and increase of the working population, the preferences for out-of-home consumption and demand for instant and nutritious products have increased, which is expected to propel the market growth.

SUMMARY OF BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Information Memorandum, including the information contained in the section titled 'Risk Factors', of this Information Memorandum.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors' and the chapters titled „Restated Financial Statement' and „Management Discussion and Analysis of Financial Conditions and Results of Operations', of this Information Memorandum.

Unless the context otherwise requires, in relation to business operations, in this section of this Information Memorandum, all references to "we", "us", "our" and "our Company" are to Dangee Dums Limited and Group Entities as the case may be.

Overview

Our Company was originally incorporated as —Aromen Hospitality Private Limitedl on August 13, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The name of our company was thereafter changed to —Dangee Dums Private Limited on June 30, 2017. Our Company was subsequently converted in to a public company and consequently name was changed to —Dangee Dums Limited (DDL) vide fresh certificate of incorporation dated August 24, 2017 issued by Registrar of Companies, Ahmadabad, Gujarat. The CIN of the Company is L55101GJ2010PLC061983.

The initial Promoters of the company were Mr. Mrudang Drashan Jambusaria and Nirman Infracon Pvt. Ltd. with an aim of running a business of cakes, chocolates and desserts. Dangee Dums Limited, engaged and indulged into a venture of chocolate business, bringing forward one of the finest couvertures chocolates sourced from Belgium. The Company then introduced cakes and pastry with the concept of creating an exquisite lounge which was born out of sheer love for desserts, the need to have a one-stop place for the common man to treat their taste buds to sublime pure rich cakes and pastries and to spread this all over the country.

The company is based out of Ahmedabad, Gujarat and spear headed by Mr. Nikul Jagdishchandra Patel, who holds a degree of Bachelor of Engineering in civil from Gujarat University, being a foodie; he came up with the idea of starting a business related to chocolates. In June 2011, Mr. Mrudang Drashan Jambusaria expressed his

DANGEE DUMS LIMITED

desire to quit the business and Mr. Nikul Jagdishchandra Patel took over the entire operations as he had confidence in the product and the market for such product.

The first challenge was to choose a brand name. Promoters wanted a name which was not related to any product, geography, culture or region.—The basic idea was to choose such a name that could be carried forward to any country. Thus the idea awoke the brand name—Dangee Dums which did not have any meaning, was born. At Dangee Dums, we wanted to offer a premium quality product at premium price for premium people.

At Dangee Dums, we started the business by launching cakes for minimum price tag of Rs. 1200 for one kg cake when other cake retailers were selling at Rs. 500 to Rs. 600 per kg; moreover, we restricted ourselves to sell minimum one kg cake and not the smaller variants. This led to operating losses which continued for 6-8 months. Then, we initially decided to enhance the footfall by the sale of food items in addition to cakes and chocolates, with the core idea of remaining a dessert bouquet. With an aim to promote cakes, we introduced the concept of—designer cake in 2011, which was the first of its kind in Ahmadabad.

This was a successful attempt which pushed sales. We also took permission from the local government authorities to open the outlet till late at night up to 1 AM. The decision was taken because of two reasons, first was due to the fact that dessert was preferred after dinner and the second was to provide facility to our customers to perform cake cutting ceremony in our outlet, during midnight. This had impacted the sales positively which resulted in higher sales.

Registered Office & Factory Address of our Company	
Registered Office:	Dangee Dums Limited, 4/A, Ketan Society, House, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.
Factory :	Dangee Dums Limited, Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj , Ahmedabad-382405, Gujarat, India

For further details relating to Registered Office and Factory, kindly refer to General Information and for details relating to changes to the address of our Registered Office, please see—History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company of this Information Memorandum.

Products we offer

Our company manufactures following products:

- Cakes and Pastries:
- Designer Cake:
- Chocolates:
- Cupcakes and Ice creams
- Cream Rolls
- Khari
- Other Bakery Products

New Products in pipeline

Our company has just introduced ice cream which is receiving very good response from the customers. The other products are Softies, Candies, Cookies, Artisan Breads, Thick shakes, Savouries and beverages.

OUR BUSINESS STRATEGIES

Our company also strives to follow the principal strategies laid down by the management to leverage our competitive strengths and grow our business:

1. Widening our distribution network:

At present we are covering Gujarat state. We aim to expand our operations and widen our distribution network. Further, we intend to open new outlets to increase the availability of our products. As part of our sales strategy, we continue to evaluate potential sales growth drivers for specific products and regularly identify specific states and regions in India to focus on our sales efforts and increase our sales volumes. Prior to expanding to new geographies or launching new products, we research and examine the market and demographic characteristics of the region to determine the demand of our products in that market.

Further, we seek to increase the penetration of our products in the markets in which we are currently present and widen the portfolio of our products available in those markets.

2. Enhancing our brand image:

Brand recognition plays an important role in foods and beverages industry. We believe that our brands are one of our key strengths and that our customers associate our brands with trusted and superior quality products. Customer loyalty for brands enhances the prospects of a company in our industry. Our brand-Dangee Dums is being well received in the market. We are highly conscious about our brand image and seek to further strengthen our brand by increasing its visibility through marketing initiatives, supplying qualitative products at competitive prices.

3. Developing the new product line:

We focus on research and development to distinguish ourselves from our competitors to enable us to introduce new products based on customer preferences and demand. Our company has wide product basket and strive to add new products that are essential or which are trending in the market.

4. Customer satisfaction:

Our company is customer satisfaction oriented company and always strives to maintain good relationship with the customers. Our company's marketing team approaches existing customers for their feedback and based on their feedback any changes in the products if their required are carried out. Our company provides quality products and effective follow-ups with customers which ensures that the customers are satisfied with the product and do not have any complain. Our company in return is rewarded by the customers with continuous orders.

5. Leveraging our marketing skills and initiatives:

Leveraging our marketing skills and relationship is a continuous process in our organization. We believe in imparting training to our employees for enhancing their marketing skills. Further, we aim to undertake some marketing initiatives as well to increase our brand visibility. We use various media channels to promote our brands including placing advertisements on newspapers, hoardings and on digital media.

6. Improving functional efficiency

Our company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology department.

SUMMARY OF FINANCIALS
ANNEXURE I-STANDALONE BALANCESHEET

Particulars				As at 31-March-2020 (Rs.)	As at 31-March-2019 (Rs.)
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
	(a)	Share capital		102,650,000	102,650,000
	(b)	Reserves and surplus		229,888,120	242,582,284
				332,538,120	345,232,284
2	Non-current liabilities				
	(a)	Long Term Borrowings		87,274,931	104,707,373
	(b)	Other long term liabilities		Nil	Nil
				87,274,931	104,707,373
3	Current liabilities				
	(a)	Short-term borrowings		47,540,548	48,796,097
	(b)	Trade payables			
		(i)Total outstanding dues to Micro, Small & Medium Enterprise		1,165,076	Nil
		(ii)Total outstanding dues to other than Micro, Small & Medium Enterprise		8,214,082	7,248,964
	(c)	Short Term Provision		2,440,147	1,645,465
	(d)	Other current liabilities		38,413,954	34,256,034
				97,773,807	91,946,560

	TOTAL			517,586,858	541,886,217
II	ASSETS				
1	Non-current assets				
	(a)	Fixed Assets			
		(i) Property, Plant and Equipments		224,346,565	216,593,315
		(ii) Intangible Assets		4,988,069	4,492,065
		(iii) Capital work-in-progress		Nil	7,440,044
	(b)	Non-current investments		10,466,014	9,486,501
	(c)	Deferred tax assets (Net)		20,779,792	15,951,547
	(d)	Long Term Loans and Advances		160,629,652	153,273,401
				421,210,092	407,236,873
2	Current assets				
	(a)	Current investments		9,785,727	44,524,928
	(b)	Inventories		50,815,374	33,801,625
	(c)	Trade receivables		16,364,886	20,794,264
	(d)	Cash and bank balances		9,477,847	28,008,801
	(e)	Short-term loans and advances		9,932,931	7,519,725
	(f)	Other current assets		Nil	Nil
				96,376,766	134,649,344
	TOTAL			517,586,858	541,886,217

**ANNEXURE
-II**

STANDALONE STATEMENT OF PROFIT&LOSS

(Amt inRs.)

Particulars		For the year ended 31 March 2020	For the year ended 31 March 2019
I.	<u>Revenue from operations</u>	353,488,753	383,194,190
II.	<u>Other income</u>	11,809,564	9,822,569
III.	Total Revenue (I + II)	365,298,317	393,016,759
IV.	Expenses:		
	Cost of Material Consumed	107,194,927	107,365,582
	Purchase of stock in trade	17,182,342	11,976,705
	Changes in inventories of finished goods work-in- progress and Stock-in-Trade	(11,229,129)	(2,283,019)
	Employee benefits expense	74,847,325	67,139,550
	<u>Finance costs</u>	16,729,774	24,171,648
	Depreciation and amortization expense	46,453,070	52,451,656
	Other expenses	131,642,417	117,205,423
	Total expenses	382,820,726	378,027,545
V.	Profit before tax (VII- VIII)	(17,522,409)	14,989,214
VI	Exceptional Items	NIL	NIL
VII	Extraordinary Items	NIL	NIL
VIII	Tax expense:		
	(1) Current tax	NIL	NIL

	(2) Deferred tax	4,828,245	6,493,680
	(3) Earlier year Income tax	NIL	NIL
IX	Profit (Loss) for the period (XI + XIV)	(12,694,164)	21,482,894
X	Earnings per equity share:	(1.24)	2.35

ANNEXURE - III			
STANDALONE CASH FLOW STATEMENT			(Amount inRs.)
		31-03-2020	31-03-2019
A	Cash from Operating Activity		
	Net Profit Before Tax from Continuing Operation	(17,522,409)	14,989,214
	Non Cash Adjustment to reconcile profit before tax to net cash flows		
	Depreciation	46,453,070	52,451,656
	Provision for Bad Debts	(1,605,876)	Nil
	Loss on Discard of Property, Plant & Equipment	1,960,648	4,571,383
	Finance Cost	16,729,774	24,171,648
		63,537,616	81,194,687
	Dividend Income	(21,250)	(21,250)
	(Profit)/Loss on sale of Investments	(3,143,174)	(1,524,928)
	(Profit)/Loss on sale of Asset	Nil	Nil
	Interest Income	(8,645,140)	(8,224,055)
		(11,809,564)	(9,770,233)
	Adjustment for Movements in Working Capital:		
	Increase/(decrease) in trade Payable	2,130,194	(2,624,686)
	Increase/(decrease) in Short term Provisions	794,682	540,044
	Increase/(decrease) in other current liability	(1,469,550)	(1,699,617)
	Increase/(decrease) in other longterm liability	NIL	NIL

	Decrease/(increase) in other current Asset	NIL	NIL
	Decrease/(increase) in other Non current Asset	NIL	NIL
	Decrease/(increase) in trade receivable	6,035,254	20,728,517
	Decrease/(increase) in inventories	(17,013,749)	(9,024,946)
	Decrease/(increase) in Short term Loans and advances	(2,413,206)	(1,924,955)
	Decrease/(increase) in Long term Loans and advances	871,275	(25,860,854)
	CASH GENERATED FROM		
	OPERATIONS	23,140,543	66,547,172
	Direct Taxes paid	(765,304)	(729,086)
	NET CASH FLOW FROM OPERATIONS	22,375,239	65,818,086
B	Cash flow from investing Activities		
	Purchase of Property, Plant & Equipment (Incl. WIP)	(46,413,914)	(68,175,166)
	Purchase of Non Current Investments	(979,513)	(9,303,996)
	Sale of Non- Current Investment	Nil	Nil
	Sale of Current Investment	87,882,375	178,000,000
	Purchase of Current Investment	(50,000,000)	(221,000,000)
	Sale of Property, Plant & Equipment	462,920	Nil
	Fixed Deposits	(3,532)	(3,632)
	Interest Received	763,856	8,224,055
	Dividend Income	21,250	21,250

	NET CASH USED IN INVESTING ACTIVITY	(8,266,558)	(112,237,489)
C	Cash flow from Financing Activities		
	Increase/(Decrease) in Short term Borrowing (Net)	(1,255,549)	(4,763,165)
	Issue of Share Capital	Nil	200,688,000
	Finance cost	Nil	(4,514,417)
	Increase/(Decrease) in Long Term Borrowing (Net)	(15,989,057)	(24,706,848)
	NET CASH USED IN FINANCING ACTIVITY	(32,643,167)	52,243,571
	Net Increase/(Decrease) in cash and cash equivalents	(18,534,486)	5,824,168
	Cash and cash equivalent Opening Balance	27,956,033	22,131,865
	Cash and cash equivalent Closing Balance	9,421,547	27,956,033
	Net Increase/(Decrease) in cash and cash equivalents	(18,534,486)	5,824,168

GENERAL INFORMATION

Our Company was originally incorporated on August 13, 2010 as —Aromen Hospitality Private Limited vide Registration no. 061983 (CIN: L55101GJ2010PLC061983) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to—Dangee Dums Private Limited vide Shareholder’s Resolution passed at the Extra Ordinary General Meeting of the Company held on June 19, 2017 and a fresh Certificate of Incorporation dated 30th June,2017 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Later, our Company was converted into Public Limited Company and consequently name of company was changed from Dangee Dums Private Limited to Dangee Dums Limited vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on August 01, 2017 and a fresh certificate of incorporation dated August 24, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

For further details please refer to chapter titled —History and Certain Corporate Matters of this Information Memorandum.

Registered Office of our Company	
CIN	L55101GJ2010PLC061983
Address	Dangee Dums Limited , 4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.
Tel No.	079-27681878
Email Id	cs@dangeedums.com
Website	www.dangeedums.com
Contact Person & Designation	Ms. Khushboo Parikh Company Secretary & Compliance Officer

For details relating to changes to the address of our Registered Office, please see History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company of this Information Memorandum.

Factory Address	
Address	Dangee Dums Limited , Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj , Ahmedabad-382405, Gujarat, India
Tel No.	9512500519
Email Id	cs@dangeedums.com
Website	www.dangeedums.com
Contact Person & Designation	Mr. Ravi Hemantkumar Patel Whole time Director

DANGEE DUMS LIMITED

Designated Stock Exchange	
Name	National Stock Exchange of India Limited (NSE EMERGE Platform)
Address	Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra.
Tel No.	(022) 26598100 - 8114
Website	https://www.nseindia.com/index_nse.htm

Address of Registrar of Companies	
Address	Registrar of Companies, Ahmedabad, Gujarat ROC Bhawan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpur, Ahmedabad- 380013, Gujarat
Tel No.	079-27437597
Fax No.	079-27438371
Email Id	roc.ahmedabad@mca.gov.in
Website	http://www.mca.gov.in

Board of Directors of our Company			
Name	Designation	Address	DIN
Mr. Nikul Jagdishchandra Patel	Managing Director	11 Manichandra Co Op Hsg Soc, Part 3, Nr. Surdhara Circle, Thaltej Ahmedabad 380054, Gujarat, India	01339858
Mr. Ravi Hemantkumar Patel	Whole time Director	78, Kalhar Exotica Near Science City, Sola Ahmedabad 380060, Gujarat, India	02017962
Mrs. Foram Nikul Patel	Non- Executive Director	11 Manichandra Co Op Hsg Soc, Part 3, Nr.Surdhara Circle, Thaltej Ahmedabad 380054,Gujarat, India	02017816
Mr. Umang Brijmohan Saraf	Independent Director	49 Sarathi .3 Blh Drive In Cinema Ahmedabad- 380052, Gujarat, India	00510800

Mr. Jayantilal Atmaram Patel	Independent Director	1/35, Babajipura, Kadi, Mehsana Dist. Kadi -382715, Gujarat, India	03644777
Mr. Janak Natverlal Parikh	Independent Director	Pitruvatsalya, 13 Sadhana Colony, Stadium Road Ahmedabad- 380014, Gujarat, India	07930360

For further details of the Directors of our Company, please refer to the chapter titled —Our Management of this Information Memorandum.

Company Secretary and Compliance Officer

Name	Ms. Khushboo Parikh
Address	Dangee Dums Limited , 4/A, Ketan Society, Opp. B.D. Patel House, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.
Tel No.	079-27681878
Email Id	cs@dangeedums.com
Website	www.dangeedums.com

Chief Financial Officer

Name	Mr. Ketan Jagdishchandra Patel
Address	Dangee Dums Limited , 4/A, Ketan Society, Opp. B.D. Patel House, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.
Tel No.	079-27681878
Email Id	ketan@dangeedums.com
Website	www.dangeedums.com

CAPITALSTRUCTURE

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

Amount (Rs. in Lakhs, except share data)

PARTICULARS	As on 31-March-2020	
	Number	Rs.
<u>Authorized</u>		
Equity share capital		
Equity share of Rs.10/- each	11,000,000	110,000,000
	11,000,000	110,000,000
<u>Issued, Subscribed & Paid up</u>		
Equity share capital		
Equity share of Rs.10/- each fully paid up	10,265,000	102,650,000
Total	10,265,000	102,650,000

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Information Memorandum.

Details of changes in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

- The initial authorised share capital of our Company was Rs. 1.00 Lakh divided into 10,000 Equity Shares of Rs.10/- each. This authorised capital was increased to Rs. 100.00 Lakh divided into 10,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on 1st December,2015.
- The authorised capital of our Company of Rs. 100.00 Lakh divided into 10,00,000 Equity Shares of Rs.10/- each was increased to Rs. 1000.00 Lakh divided into 1,00,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on 18th April,2017.
- The authorised capital of our Company of Rs. 1000.00 Lakh divided into 1,00,00,000 Equity Shares of Rs.10/- each was increased to Rs. 1100.00 Lakh divided into 1,10,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on September 14, 2017.

Notes to Capital Structure

Equity Share Capital History of our Company:

- (a) The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation*	10000	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	10000	1,00,000	Nil
January 09, 2016	3,15,000	10	60	Cash	Private Placement ⁽ⁱⁱ⁾	3,25,000	32,50,000	1,57,50,000
February 22, 2016	1,97,000	10	60	Cash	Rights Issue ⁽ⁱⁱⁱ⁾	5,22,000	52,20,000	2,56,00,000
May 17, 2017	54,81,000	10	10	Cash	Right Issue ^(iv)	6,00,300	6,00,30,000	2,56,00,000
July 21, 2017	15,50,000	10	74	Cash	Right Issue ^(v)	7,55,300	7,55,30,000	12,48,00,000
August 30, 2018	27,12,000	10	74	Cash	IPO	10,26,500	1,02,65,000	173,568,000

* The Shares were subscribed to Initial Subscriber to Memorandum of Association on 10th August 2010. All the above mentioned shares are fully paid up since the date of allotment.

- b) As on the date of the Information Memorandum, our Company does not have any preference share capital.

1. Issue of Equity Shares for consideration other than cash

We have not issued any Equity Shares for consideration other than cash:

2. Details of Allotment made in the last two years preceding the date of the Information Memorandum:

Except as mentioned in this Information Memorandum, we have not issued any Equity Shares in the last two years preceding the date of the Information Memorandum.

3. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-232 of the Companies Act, 2013/ Section 391-394 of the Companies Act, 1956.

4. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

5. **Details of Promoter's Contribution locked in for three years:**

Date of Allotment / transfer offully paid upShares	Date when made Fully paid up	Nature of Allotment/ Acquired/T ransfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Sharehol ding	% of Post Issue Sharehol ding	Lock in Period
Mrs. Forum Nikul Patel								
22.02.2016	22.02.2016	Right Issue	16,500	10.00	60.00	0.22	0.16	3 Years
17.05.2017	17.05.2017	Right Issue	3,91,250	10.00	10.00	5.18	3.81	3 Years
21.07.2017	21.07.2017	Right Issue	11,70,585	10.00	74.00	15.49	11.40	3 Years
Total (A)			15,78,335			20.89	15.37	
Mr. Ravi Hemantkumar Patel								
17.05.2017	17.05.2017	Right Issue	1,07,250	10.00	10.00	1.42	1.05	3 Years
21.07.2017	21.07.2017	Right Issue	3,46,135	10.00	74.00	4.58	3.37	3 Years
Total (B)			4,53,385			6	4.42	
Mr. Nikul Jagdishchandra Patel								
21.07.2017	21.07.2017	Right Issue	21,280	10.00	74.00	0.28	0.21	3 Years
Total (C)			21,280			0.28	0.21	
Grand Total (A+B+C)			20,53,000			27.17	20	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as-promoter under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of

the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters, Mr. Nikul Jagdishchandra Patel, Mrs. Forum Nikul Patel and Mr. Ravi Hemantkumar Patel, by a written undertaking dated June 07, 2018, consented to have 20,53,000 Equity Shares held by them to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Information Memorandum with SME Platform of NSE till the date of commencement of lock-in period as stated in this Information Memorandum. The Equity Shares under the Promoters contribution will constitute 20% of

our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

6. Our Shareholding Pattern

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 the Information Memorandum:

Holding of Specified Securities			
Annexure - I			
1. Name of Listed Entity:	DANGEE DUM LTD		
2. Scrip Code/Name of Scrip/Class of Security	NSE: DANGEE	EQUITY SHARES	
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)			
a. If under 31(1)(b) then indicate the report for Quarter ending		30-06-2020	
b. If under 31(1)(c) then indicate date of allotment/extinguishment			
4. Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-			
	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		NO
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the Listed Entity has any shares in locked-in?	Yes	
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.			

Table I - SUMMARY STATEMENT HOLDING OF SPECIFIED SECURITIES

Category (I)	Category of shareholder (II)	No.s of Share holders (III)	No. of fully paid up equity Share held (IV)	No.s of Partly paid-up equity Share held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities(as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					Total as a % of (A+B+C)					
								Class Equity X	Class Others Y	Total								
														No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
(A)	Promoter & Promoter Group	6	7115300	0	0	7115300	69.3161	7115300	0	7115300	69.3161	0	69.3161	2053000	28.8533	0	0.0000	7115300
(B)	Public	205	3149700	0	0	3149700	30.6839	3149700	0	3149700	30.6839	0	30.6839	0	0.0000	0	0.0000	3149700
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
	Total	211	10265000	0	0	10265000		10265000	0	10265000	100.0000	0	100.0000	2053000	20.0000			10265000

Table II - STATEMENT SHOWING SHAREHOLDING PATTERN OF THE PROMOTER AND PROMOTER GROUP

Category & Name of the shareholders (I)	PAN (II)	No of Share holders (III)	No of fully paid up equity Shares held (IV)	Partly paid-up equity Share held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR,1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities/ as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights		Total as a % of (A+B+C2)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class Equity X	Class Others Y									Total
1 Indian																		
(a) Individuals/Hindu undivided Family																		
NIKUL JAGDISHCHANDRA PATEL	AHKKPP5769Q	1	21290	0	0	21290	0.2073	21290	0	21290	0.2073	0	0.2073	21290	100.0000	0	0.0000	21290
NAVJHEMANTRUMAH PATEL	AJNHPP7203N	1	1781185	0	0	1781185	17.3520	1781185	0	1781185	17.3520	0	17.3520	453365	25.4541	0	0.0000	1781185
FORAM NIKUL PATEL	AHPP35587K	1	5297835	0	0	5297835	51.6107	5297835	0	5297835	51.6107	0	51.6107	1578335	29.7921	0	0.0000	5297835
Total		3	7100300	0	0	7100300	69.1700	7100300	0	7100300	69.1700	0	69.1700	2053000	28.9143	0	0.0000	7100300
(b) Central Government/State Government(s)																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c) Financial Institutions/Banks																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d) Any Other(DIRECTORS RELATIVES)																		
DAXABEN JAGDISHCHANDRA PATEL	AFKPP5197A	1	5000	0	0	5000	0.0487	5000	0	5000	0.0487	0	0.0487	0	0.0000	0	0.0000	5000
JAGDISHCHANDRA BHAILALBHAI PATEL	AJUPP4222L	1	7000	0	0	7000	0.0682	7000	0	7000	0.0682	0	0.0682	0	0.0000	0	0.0000	7000
DIHARA JAGDISHCHANDRA PATEL	AHKKPP5050M	1	3000	0	0	3000	0.0292	3000	0	3000	0.0292	0	0.0292	0	0.0000	0	0.0000	3000
Total		3	15000	0	0	15000	0.1461	15000	0	15000	0.1461	0	0.1461	0	0.0000	0	0.0000	15000
Sub-Total (A)(1)		6	7115300	0	0	7115300	69.3161	7115300	0	7115300	69.3161	0	69.3161	2053000	28.8533	0	0.0000	7115300
2 Foreign																		
(a) Individuals(Non-Resident Individuals/Foreign Individuals)																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(b) Government																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(c) Institutions																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
(d) Foreign Portfolio Investor																		
Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
Sub-Total (A)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		6	7115300	0	0	7115300	69.3161	7115300	0	7115300	69.3161	0	69.3161	2053000	28.8533	0	0.0000	7115300

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note:
(1) PAN would not be displayed on website of Stock Exchange(s).
(2) The term "Encumbrance" has the same meaning as assigned under regulation 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Table III - STATEMENT SHOWING SHAREHOLDING PATTERN OF THE PUBLIC SHAREHOLDER

	Category & Name of the shareholders (I)	PAN (II)	No.s of Share holders (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR (1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities(as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		
									No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (c)	As a % of total shares held (d)	
									Class Equity s	Class Others y								Total
1	Institutions																	
(a)	Mutual Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(b)	Venture Capital Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(c)	Alternate Investment Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(f)	Financial Institutions/Banks		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(g)	Insurance Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(h)	Provident Funds/ Pension Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
	SUB TOTAL (B)(1)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
2	Central / State government(s)																	
(a)	Central Government/ State Government(s)/ President of India		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
	SUB TOTAL (B)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
3	Non-Institutions																	
(a.1)	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		128	589600	0	0	589600	5.7438	589600	0	589600	5.7438	0	5.7438	0	0.0000	0	NA
(a.2)	INDIVIDUAL - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		43	2036100	0	0	2036100	19.9354	2036100	0	2036100	19.9354	0	19.9354	0	0.0000	0	NA
	UDAYANMATH CHHABILDAS HATEL	AATPPS36H	1	137600	0	0	137600	1.3405	137600	0	137600	1.3405	0	1.3405	0	0.0000	0	0
(b)	NBFCs registered with RBI		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(c)	Employee Trusts		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(d)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	NA
(e)	Any Other(BODIES CORPORATE)		0	272000	0	0	272000	2.6498	272000	0	272000	2.6498	0	2.6498	0	0.0000	0	NA
(e)	Any Other(CLEARING MEMBER)		2	50800	0	0	50800	0.5223	50800	0	50800	0.5223	0	0.5223	0	0.0000	0	NA
(e)	Any Other(HINDU UNDIVIDED FAMILY)		23	191200	0	0	191200	1.8626	191200	0	191200	1.8626	0	1.8626	0	0.0000	0	NA
	SUB TOTAL (B)(3)		205	3149700	0	0	3149700	30.6839	3149700	0	3149700	30.6839	0	30.6839	0	0.0000	0	NA
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		205	3149700	0	0	3149700	30.6839	3149700	0	3149700	30.6839	0	30.6839	0	0.0000	0	NA
Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): 0																		

Details of the share holders acting as persons in Concert including their Shareholding (No. and %): 0

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note:

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the name of following persons:

(2) The above format needs to be disclosed along with the name of following Institutions/Non Institutions holding more than 1% of total number of shares.

Table IV - STATEMENT SHOWING SHAREHOLDING PATTERN OF THE NON PROMOTER - NON PUBLIC SHAREHOLDER

Category & Name of the shareholders (I)	PAN (II)	No. of Share holders (III)	No. of fully paid up equity Share held (IV)	Partly paid-up equity Share held (V)	No.s of shares underlying Depository Receipts (VI)	Total no. shares held (VII)=(IV)+(V)+(VI) (VIII)	Shareholding % calculated as per SCRR,1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities/ as a % of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
								Class Equity z	Class Others y	Total								
† Custodian DR Holder																		
Total Non Promoter-Non Public Shareholding (C)=(C1)+(C2)			0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000		NA	NA

Note

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available

Table V - STATEMENT SHOWING DETAILS OF SIGNIFICANT BENEFICIAL OWNERS

[illegible]

7. The Top Ten Shareholders of our Company and their Shareholding is set forth below:-

As on the date of the Information Memorandum, our Company has 220(Two Hundred and Twenty) shareholders.

a) Our top ten shareholders as on the date of filing of the Information Memorandum are as follow:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)
1.	FORAM NIKUL PATEL	52,97,835
2.	RAVI HEMANTKUMAR PATEL	17,81,185
3.	UDAYKUMAR CHHABILDAS PATEL	1,37,600
4.	SHAH SUKETU SUMITLAL	1,02,400
5.	MAHENDRABHAI GULABDAS PATEL	1,00,800
6.	NIDHI MAHENDRABHAI PATEL	1,00,500
7.	MUNJAL MAHENDRABHAI PATEL	1,00,500
8.	MANSI MUNJAL PATEL	1,00,500
9.	KAILASHBEN MAHENDRABHAI PATEL	1,00,200
10.	SHAH INVESTOR'S HOME LTD	94,400
11.	MANANKUMAR MANIBHAI PATEL	75,200
	Total	79,91,120

8. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Nikul Jagdishchandra Patel	Chairman & Managing Director	21,280
Mr. Ravi Hemantkumar Patel	Whole-time Director	17,81,185
Mrs. Foram Nikulbhai Patel	Non- Executive Director	52,97,835
Mr. Ketan Jagdishchandra Patel	Chief Financial Officer (CFO)	NIL
Ms. Khushboo Parikh	Company Secretary & Compliance Officer	NIL
Mr. Janak Parikh	Independent Director	NIL

Mr. Jayantilal Patel	Independent Director	NIL
Mr. Umang Saraf	Independent Director	NIL

9. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Information Memorandum.
10. Neither, we nor our Promoters, Directors have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
11. As on the date of filing of the Information Memorandum, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
12. As on the date of the Information Memorandum, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
13. As on the date of the Information Memorandum, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
14. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
15. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
16. As on the date of the Information Memorandum, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
17. There are no Equity Shares against which depository receipts have been issued.
18. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Information Memorandum.
19. We have 220 (Two Hundred and Twenty) Shareholders as on the date of filing of the Information Memorandum.

SECTION IV – ABOUT THE COMPANY**INDUSTRY OVERVIEW****GLOBAL ECONOMIC SCENARIO**

The global cake market size was valued at USD 42.94 billion in 2019 and is anticipated to grow at a compound annual growth rate (CAGR) of 3.3% from 2020 to 2027. The high popularity of celebrating various types of special occasions and success through cake cutting is expected to remain a key driving force over the next few years. Moreover, rising demand for the cakes as desserts post meals during dine-out and weekend parties among millennials and Generation Z consumers across the globe is projected to expand the industry size in the near future. Over the past few years, the trend of celebrating various types of special occasions, success or any festivals, such as birthday, wedding, marriage anniversary, valentine's day, Christmas, pet's birthday, work anniversary, mother's day, and children's day, has been increasing significantly across the globe. Consumers have been increasing spending on purchasing occasion specific cakes, which is expanding the market scope.

Demand for the bakery products is also increasing significantly across the globe as they are instant, accessible, and delicious food in this rapidly urbanizing and changing lifestyles. Europe and North America have enjoyed the strong consumer base of bakery products, including cake, pastry, biscuit, and pita bread.

The market share for innovative as well as healthy products has been rising in the above-mentioned regions as a result of a growing number of health-conscious people at the domestic level. Furthermore, with the rising adoption of western lifestyle and nutrition, demand for cakes is increasing in developing economies of Asia and the Middle East.

The bakery industry has been witnessing new gains owing to changing preferences among consumers toward advanced baked variants. For instance, increasing adoption of a western-style bakery in Asian countries, including China, Japan, and South Korea, is expected to remain a favorable factor. It was estimated that the Asia Pacific accounted for almost half of the global revenue in 2019, which offers huge growth opportunities for the local as well as international bakers to launch new variants, including cakes and pastries.

(source: <https://www.grandviewresearch.com/industry-analysis/cakes-market>)

INDIAN ECONOMIC SCENARIO

The Bakery industry and India is experiencing robust growth over 9% according to a recent report. It's a huge industry employing a large number of people. In fact with over a million an organised small scale bakeries and more than 2000 organised or semi organised bakeries.

A large part of this market nearly 80% is captured by bread and biscuits which are items of mass consumption. In fact India is 2nd only to the US in terms of biscuit production. As breads and biscuits are fast-moving consumer goods (FMCG), they are consumed on a daily basis by the consumers, which is main reason for increases in sales of these products in India. In addition to this, growth in the fast food chains further stimulates the demand for breads as they are used for sandwiches, burgers, snacks, etc. Moreover, introduction of value added bakery products is giving a boost to the market growth. Apart from this, busy lifestyles, changing eating habits and western influence has reflected in a strong demand for bakery products in India.

The rising trend of “Natural nutrition”, “healthy living” and “organic products” has significantly raised the consumers’ demand on whole wheat, light, natural and additive-free products. In recent years, the growth in sales of packaged, whole wheat, wholemeal, gluten-free and natural products is an important indication of this new and healthy living sense.

India Cake market is forecasted to reach US\$ 882.24 million by 2024 growing at a CAGR of 12.5% during the forecast period from 2019 to 2024. As the consumption of cakes is gaining market traction, owing to consumers' changing perceptions, as well as their convenience and health attribute, leading to a rise in popularity of on-the-go cake products, which are baked off or made at the convenience of the consumer.

As a result of urbanization and increase of the working population, the preferences for out-of-home consumption and Demand for instant and nutritious products have increased, which is expected to propel the market growth.

Global Cake and Pastries Industry (Bakery Industry)

Technavio analysts forecast the global bakery market to grow at a CAGR of more than 6% between 2016 and 2020. Vendors have gradually begun to split their focus into health and indulgence cakes and pastries in Western Europe and North America. High-fiber bakery products are witnessing robust retail sales in Latin America and Asia-Pacific (APAC).

BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Information Memorandum, including the information contained in the section titled 'Risk Factors', of this Information Memorandum.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled 'Risk Factors' and the chapters titled „Restated Financial Statement' and „Management Discussion and Analysis of Financial Conditions and Results of Operations', of this Information Memorandum.

Unless the context otherwise requires, in relation to business operations, in this section of this Information Memorandum, all references to "we", "us", "our" and "our Company" are to Dangee Dums Limited and Group Entities as the case may be.

Overview

Our Company was originally incorporated as—Aromen Hospitality Private Limited on August 13, 2010 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of our company was thereafter changed to—Dangee Dums Private Limited on June 30, 2017. Our Company was subsequently converted in to a public company and consequently name was changed to—Dangee Dums Limited (DDL) vide fresh certificate of incorporation dated August 24, 2017 issued by Registrar of Companies, Ahmedabad, Gujarat. The CIN of the Company is L55101GJ2010PLC061983.

The initial Promoters of the company were Mr. Mrudang Drashan Jambusaria and Nirman Infracon Pvt. Ltd. with an aim of running a business of cakes, chocolates and desserts. Dangee Dums Limited, engaged and indulged into a venture of chocolate business, bringing forward one of the finest couvertures chocolates sourced from Belgium. The Company then introduced cakes and pastery with the concept of creating an exquisite lounge which was born out of sheer love for desserts, the need to have a one-stop place for the common man to treat their taste buds to sublime pure rich cakes and pasteries and to spread this all over the country.

The company is based out of Ahmedabad, Gujarat and spear headed by Mr. Nikul Jagdishchandra Patel, who holds a degree of Bachelor of Engineering in civil from Gujarat University, being a foodie, he came up with the idea of starting a business related to chocolates. In June 2011, Mr. Mrudang Drashan Jambusaria expressed his desire to quit the business and Mr. Nikul Jagdishchandra Patel took over the entire operations as he had confidence in the product and the market for such product.

The first challenge was to choose a brand name. Promoters wanted a name which was not related to any product, geography, culture or region.—The basic idea was to choose such a name that could be carried forward to any country. Thus the idea to use the brand name—Dangee Dums which did not have any meaning, was born. At Dangee Dums, we wanted to offer a premium quality product at premium price for premium people.

At Dangee Dums, we started the business by launching cakes for minimum price tag of Rs. 1200 for one kg cake when other cake retailers were selling at Rs. 500 to Rs. 600 per kg; moreover, we restricted ourselves to sell minimum one kg cake and not the smaller variants. This led to operating losses which continued for 6-8 months. Then, we initially decided to enhance the footfall by the sale of food items in addition to cakes and chocolates, with the core idea of remaining a dessert bouquet. With an aim to promote cakes, we introduced the concept of—designer cakelin 2011, which was the first of its kind in Ahmedabad. This was a successful attempt which pushed sales. We also took permission from the local government authorities to open the outlet till late at night up to 1 AM. The decision was taken because of two reasons, first was due to the fact that dessert was preferred after dinner and the second was to provide facility to our customers to perform cake cutting ceremony in our outlet, during midnight. This had impacted the sales positively which resulted in higher sales.

Our Revenues have grown from Rs. 1996.12 Lakhs in fiscal 2017 to Rs. 3657.86 Lakhs in fiscal 2018. Our net profit after tax was Rs. 90.53 Lakhs in fiscal 2017 and Rs. 154.77 Lakhs in fiscal 2018. Also, our PAT margin was 4.55% and 4.27% for the fiscal year 2017 and 2018 respectively. Further, our ROCE was 4.69% and 4.28% for the fiscal year 2017 and 2018 respectively. We recorded EBITDA of Rs. 480.41 Lakhs and Rs. 1055.91 Lakhs for the fiscal year 2017 and 2018 respectively. Our EBITDA margin was 26.94% and 30.54% of our operating income for the fiscal year 2017 and 2018 respectively. For further details pertaining to our financial performance, please see-Financial Information of this Information Memorandum.

Our company started to expand our business and new outlets were opened every year asbelow:

Financial Year	Total Number of outlets till date	City
2010-11	1	Ahmedabad (Flagship outlet at Panjrapole)
2011-12	2	Ahmedabad
2012-13	5	Ahmedabad
2013-14	7	Ahmedabad – 6 Gandhinagar -1
2014-15	10	Ahmedabad – 9 Gandhinagar -1
2015-16	39	Ahmedabd-28 Gandhinagar - 1 Vadodara- 7 Anand -3
2016-17	68	Ahmedabd-37 Gandhinagar - 2 Vadodara-8 Anand-3 Surat-18
2017-18	87	Ahmedabad - 46 Gandhinagar –3 Vadodara- 12 Anand-3 Surat-23
2018-19	78	Ahmedabad - 45 Gandhinagar –3 Vadodara- 9

		Anand-3 Surat-19
2019-20	78	Ahmedabad - 45 Gandhinagar –3 Vadodara- 9 Anand-3 Surat-19
2020-21 as on September 02, 2020)	45	Ahmedabad - 37 Gandhinagar –2 Vadodara- 4 Anand-2

Our company also has a 25000 sft centrally air-conditioned manufacturing facility in Ahmedabad which caters to the supply to all the outlets. Our company also owns Refrigerated, temperature-controlled van with GPS tracking for timely deliveries. There is also a depot/ warehouse at Surat for efficient distribution to outlets in Surat. In addition to this our company has 365 days operational CRM facility for dedicated customer support.

Also, following outlets were closed as on August 2020:

Total Number of outlets till date	City
8	Vadodara
23	Surat
1	Gandhinagar
1	Anand
9	Ahmedabad

Awards and Recognition

- 81 stores in less than 6 years and expanding fast.
- Sales increasing at a CAGR of 60% on YoY basis and expected to continue in current and next year
- Business model having high gross margin
- Times Food Award in February 12, 2012 as the best dessert place in Ahmedabad by The Times Of India.
- The company's business model is selected for case study by IIM Ahmedabad.

- Pioneer Manufacturer of Premium Designer Cakes in Ahmedabad

Registered Office & Factory Address of our Company	
Registered Office:	Dangee Dums Limited , 4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.
Factory :	Dangee Dums Limited , Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj , Ahmedabad-382405, Gujarat, India

For further details relating to Registered Office and Factory, kindly refer to General Information and for details relating to changes to the address of our Registered Office, please see—History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company of this Information Memorandum.

New Products in pipeline

Our company has just introduced ice cream which is receiving very good response from the customers. The other products are Softies, Candies, Cookies, Khari Toast, Artisan Breads, Thick shakes, Savouries.

Sales and Marketing

Since inception, our company's aim was to provide best products to the consumers who had not hitherto tasted premium cakes in Ahmedabad. Our company was the first to introduce pure chocolate based cakes compared to compound materials used by others. The compound material costs around Rs.150-200 per kg while pure chocolate costs around Rs.600 per kg. The difference in quality is not comparable. Also use of compound material has some side effects like sore throat which is not the case with pure chocolate.

It thus created a new segment of premium cakes and pastries which have grown over the years due to awareness about the product and also increasing income levels, change in food habits, accepting cakes as like dessert rather than identifying the same with special occasions like Birthdays, Anniversaries etc.

However, in order to attract larger customer base to increase sales, it was decided to change the perception of our company being a premium outlet to place where normal customers can also purchase our products, it was decided to change the interiors of the outlets which was done in August 2013.

In order to attract more customers and increase sales, our company decided to introduce the concept of —Cake for the week

Offer which was akin to offer from—Subway, where they were offering one of their signature products at lowest rate for one day and we came up with the 500 Gms of their signature cake for Rs.250, when the original price was Rs.600 per kg. Since the shelf life of a cake was 3 to 4 days our company could easily manage to sell for one week. The response was over whelming. This has helped to increase the footfalls in the outlets which helped sale of other products also. This also helped in expanding the customer base as middle income people who perceived dangee dums to be premium product, could also afford the same at the reduced rate. Our company also started offering cupcakes in small size with price as low as Rs.20.00 per piece which also helped in attracting large customers.

Our company also introduced Ice cream in May'17 wherein the flavours offered are not provided by known brands and the quality is superior to the similar products available in the market. The initial response is very good and it is expected to grow substantially in coming times.

In order to make our products more visible in the market at an affordable cost, our company has hired Pole Kiosks which ensures high visibility of company products, which results in high visibility at a affordable

DANGEE DUMS LIMITED

costs compared to large hoardings. In addition to this our company had also sponsored the most then popular slot in the Radio Mirchi Network namely “Mirchi Murga”.

Our company’s products have a good demand and have a high brand recall value. We have the aim of branding our company as a —Sweet Boutique at national level.

Direct Marketing

Our Company operates our own outlets rather than going for any franchise model to ensure sustained quality of products and customer satisfaction as core object. Our company has at present 81 outlets and plans are afoot to increase the number of outlets to cater to the increasing demand of the customers. This can be gauged from the fact that our company is achieving sales growth of 60% CAGR since inception.

Manufacturing facilities

Our company also has a 25000 sft centrally air-conditioned manufacturing facility in Ahmedabad which caters to the supply to all the outlets, the said premises at Devraj Park, Piplaj, Ahmedabad is taken on lease. It is fully equipped facility with state of art machinery required for production and temperature controlled rooms for production of cakes, chocolates etc.

The present installed capacity is around 1524 MT (Double Shift) per annum while the utilized capacity is around 1055 MT per annum. Thus there is enough scope to serve the enhanced capacity requirement for existing and new outlets proposed to be opened. This facility is sufficient to supply our product to our outlets at Anand, Vadodara, Gandhinagar, Ahmedabad and Surat.

Distribution

As on the date of this Information Memorandum, the Company has 81 operating outlets across the State of Gujarat, our company also owns Refrigerated, temperature-controlled van with GPS tracking for timely deliveries of the products to its various outlets.

Plant and Machinery

Sr.No	Machinery Details	No. of Machines/ Plants	Automated/ Manual	Owned/ On Contract	Supplier Name
Cake					
1	Cold Storage	8	Automated	Owned	Equinox Solutions Ltd./Ice Make Refrigeration Pvt ltd
2	Horizontal Slicer	1	Automated	Owned	Apple Bakery Machinery Pvt. Ltd.
3	Grinder Mixture	13	Automated	Owned	R K Traders/Janshakti Industries
4	Isabella LX10	1	Automated	Owned	Delta Nutritives Pvt. Ltd.

5	Cake Slicer Model Ct808	1	Automated	Owned	Apple Bakery Machinery Pvt. Ltd.
6	Door Under counter chiller	6	Automated	Owned	Equinox Solutions Ltd.
7	Oil-Free Air Compressor	4	Automated	Owned	Maruti Air Compressor
8	Rotary Rack Oven	2	Automated	Owned	Equinox Solutions Ltd.
9	Walk In Chiller	1	Automated	Owned	Equinox Solutions Ltd.
10	lboartry instument	Set			Scot Food Lab
11	25kva 3 Phase Kirloskar Generator	1	Automated	Owned	Goel Power Engineers
12	30 Tr Coolingtower-Round Model	1	Automated	Owned	Motto Tech Industries
13	Condensor Model No. Stcd-04-04 Related Compressorzb-21	1	Automated	Owned	Ic Ice Make Refrigeration Pvt ltd
14	3 Door Under Counter Refrigerator	1	Automated	Owned	Equinox Solutions Ltd.
15	Work Table With sink and Under Shelf	1	Automated	Owned	Equinox Solutions Ltd.
16	Water Cooler	1	Automated	Owned	Equinox Solutions Ltd.
17	Induction Hot Plate	6	Automated	Owned	Aalap Electronics
18	MAC 1550V (Oil Free) silent air compressor	1	Manual	Owned	Mechem Engineers
19	Lids & Cartons Dispensing Machine	1	Automated	Owned	Garuda Engineers
20	Blast Freezer	2	Automated	Owned	Krishna Cooling Centre/ Ice Make Refrigeration Limited
21	Refrigeration Under Counter With G/N pan	1	Automated	Owned	Shree Savita Engineering
22	Vertical Freeze Four Door and Five door	2	Automated	Owned	Manibhadra Industries

23	Planetary mixer	3	Automated	Owned	Orange Foodstuff Equipment Pvt.Ltd/Equinox Solution Ltd.
24	Oven	1	Automated	Owned	Janshakti Industries
25	Under Counter Chiller/1	2	Automated	Owned	Equinox Solutions Ltd.
26	Upright Freezer	4	Automated	Owned	Equinox Solutions Ltd.
27	Cake line operating PLC Machine with HMI	1	Automated	Owned	Mechem Engineers
28	Crate Dishwasher	1	Automated	Owned	Equinox Solution Ltd
29	Heater 9KW [8422]	2	Automated	Owned	Equinox Solution Ltd
30	Waffle Machine	1	Automated	Owned	Sheer Delite Confectionery LLP
31	Honda Generator	3	Automated	Owned	Universal Electricals
Ice cream					
1	Pasturizer Tank (300 to 350 LTR.)	1	Automated	Owned	A B Industries
2	Pasturizer Tank (500 LTR.)	1	Automated	Owned	A B Industries
3	Batch Freezer (30 Ltr.) (Water Cooled)	2	Automated	Owned	A B Industries / Equinox Solutions Ltd
4	Homogenizer (500 LTR.)	1	Automated	Owned	A B Industries
5	Glycol Chiller Tank (500 LTR.)	1	Automated	Owned	A B Industries
6	Batch Freezer (30 Ltr.) (Water Cooled)	2	Automated	Owned	A B Industries
7	Ageing Vat (500 LTR.)	1	Automated	Owned	A B Industries
8	Ice Cream hardner	1	Automated	Owned	Ic Ice Make Refrigeration Pvt ltd
9	Fruit and nut feeder - Economy model complete with S.S. hopper, rotary	1	Automated	Owned	Equinox Solutions Ltd.

	valve wi				
Chocolate					
1	Chocolate Shaving Machine QM 210	1	Automated	Owned	Apple Bakery Machinery Pvt. Ltd.
2	Sciroco White chocolate Dispenser	1	Automated	Owned	Krishna Cooling Centre
3	Chocoman 30- Chocolate Melting And Tempering Machine	2	Automated	Owned	R. B. Mangharam Foods Limited
4	Vibrating Table VT-03	1	Automated	Owned	R. B. Mangharam Foods Limited
5	shrink Packaging Machine	1	Automated	Owned	Eewa Engineering Co. Pvt. Ltd
6	Tempring Machine (chocolate)	1	Automated	Owned	Equinox Solutions Ltd.
7	Enrober (chocolate)	1	Automated	Owned	Equinox Solutions Ltd.
8	Panning Machine (chocolate)	1	Automated	Owned	Equinox Solutions Ltd.
Others					
1	ETP Plant	1	Automated	Owned	Metro Enterprise
2	Cooling Tunnel	1	Automated	Owned	Ice Make Refrigeration Pvt ltd
3	Cooling Tower	3	Automated	Owned	Local Manufacturing Supplier

Note: As on the date of this Information Memorandum, the company does not have any second hand machinery nor does it intends to buy any second hand machinery in the near future and the same was certified by the Company pursuant to its declaration dated June 06, 2018

Our Competitive Strengths

We derive our strengths from following factors:

1. Diversified Product Basket:

Our company offers a diversified product basket consisting of cakes, chocolates, cup cakes, designer cakes, ice creams, mousse tarts, cheese cakes. Further these products are available in different flavours and varieties. Our diverse product basket enables to effectively cater to evolving consumer trends. Further, as per customer convenience and needs, we offer such products in different weights and sizes as per customer needs. We are able to serve better our customers with such product basket, satiating their taste buds. This helps us build brand recognition and customer loyalty.

2. Quality of products:

Being engaged in food and beverages industry, qualitative production is of prime importance to us. Since our products are used for human consumption, we have to ensure that the same is fit and meet the quality standards. Our Company has an efficient quality control department for raw material and final product analysis. Our Company is also equipped with in-house testing laboratories.

3. Brand image:

We believe that a strong brand reputation plays a key role in our industry. Brand image also drives customer preference for buying products. We have started commercial production in 2011 and within a short span of time have developed some brand recognition for our products. Our products are well known in the region of Gujarat. Our qualitative and customer demand satisfying products helps us to achieve brand recall among our consumers which strengthens our brand equity.

4. Widespread distribution network:

At present, we have 45 outlets.. We also have a dedicated sales and marketing team. Our Company operates our own outlets rather than going for any franchise model to ensure sustained quality of products and customer satisfaction as core object. Our growing distribution network facilitates the efficient sale of our products in our targeted markets and promotes our brand visibility.

5. Dedicated Management Team:

We have a dedicated management team comprising our promoters, directors and key managerial personnel. Our business is conducted under the supervision of our directors. In addition to our directors, we also have a core management team which assists the top level management in identifying new opportunities and in implementation of the business strategies of our company. Our promoters and management team has helped developed our relation with vendors.

Our Business Strategies

Our company also strives to follow the principal strategies laid down by the management to leverage our competitive strengths and grow our business:

1. Widening our distribution network:

At present we are covering Gujarat state. We aim to expand our operations and widen our distribution network. Further, we intend to open new outlets to increase the availability of our products. As part of our sales strategy, we continue to evaluate potential sales growth drivers for specific products and regularly identify specific states and regions in India to focus on our sales efforts and increase our sales volumes. Prior to expanding to new geographies or launching new products, we research and examine the market and demographic characteristics of the region to

determine the demand of our products in that market.

Further, we seek to increase the penetration of our products in the markets in which we are currently present and widen the portfolio of our products available in those markets.

2. Enhancing our brand image:

Brand recognition plays an important role in foods and beverages industry. We believe that our brands are one of our key strengths and that our customers associate our brands with trusted and superior quality products. Customer loyalty for brands enhances the prospects of a company in our industry. Our brand-DangeeDums is being well received in the market. We are highly conscious about our brand image and seek to further strengthen our brand by increasing its visibility through marketing initiatives, supplying qualitative products at competitive prices.

3. Developing the new product line:

We focus on research and development to distinguish ourselves from our competitors to enable us to introduce new products based on customer preferences and demand. Our company has wide product basket and strive to add new products that are essential or which are trending in the market.

4. Customer satisfaction:

Our company is customer satisfaction oriented company and always strives to maintain good relationship with the customers. Our company's marketing team approaches existing customers for their feedback and based on their feedback any changes in the products if their required are carried out. Our company provides quality products and effective follow-ups with customers which ensures that the customers are satisfied with the product and do not have any complain. Our company in return is rewarded by the customers with continuous orders.

5. Leveraging our marketing skills and initiatives:

Leveraging our marketing skills and relationship is a continuous process in our organization. We believe in imparting training to our employees for enhancing their marketing skills. Further, we aim to undertake some marketing initiatives as well to increase our brand visibility. We use various media channels to promote our brands including placing advertisements on newspapers, hoardings and on digital media.

6. Improving functional efficiency

Our company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology department.

Swot Analysis of our Company

Strengths 1) Strong background of promoters. 2) Strong financial net worth of promoter group. 3) Strong brand 4) One of the largest player in the segment. 5) Outlets strategically located to attract higher footfalls of customers.	Weaknesses 1) Perceived as a premium brand.
Opportunities 1) Change in food habits would ensure higher consumption of products of the company 2) To introduce new products like premium icecream to encash the existing footfalls in the outlets. 3) Bakery industry is growing at CAGR of 25%. 4) To go online delivery model.	Threats 1) Competition from other players. 2) Change in government regulations.

Human Resources/ Employees

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business. Our business model comprises of senior level executives, professionals, experienced, qualified and semi qualified personnel. Our company has HR department which recruits and manages this division and ensures that personnel required are made available in time, train them and make them ready according to their job profile. Our Company currently has 247 employees in total. Our work processes and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Competition

Food and beverages being a large and global industry, we face competition from various domestic and international players. The industry is largely unorganized and fragmented with many small and medium sized companies and entities. Most of our competitors in the regional level are from the unorganized sector of the food and beverages industry. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

Collaborations

As on the date of this Information Memorandum, the Company has not entered into any Collaborations.

OUR PROPERTIES

Immovable properties

The Company operates its business through 45 outlets, spread across the cities of Ahmedabad, Vadodara, Gandhinagar, Anand. As on the date of this Information Memorandum, 45 of such outlets are operative. The Company also has a factory from where it carries on its manufacturing activities and caters to all its 81 outlets. None of the immovable properties are owned by the Company. However, the Company has executed agreement for sale to purchase the properties at Shop No G4, Ground Floor, Sigma Legacy, IIM Road, Panjrapole, Ambawadi, Ahmedabad dated July 18, 2017.

Sr No	Property Detail				
	Detail of the property	City	Owned/ Leased/ Licence	Lessor/Owner	Consideration/ Lease Rental/ Licence Fees (Rs)
1	Shop No 18, Ground Floor, Block-A, Binali, Opp Torrent Power, Naranpura, Ahmedabad-13, T P No 29, F P No 240/2 Mouje Vadaj	Ahmedabad	Leased	Mr Paresh B Patel and Ms Nikita Paresh Patel	55000
2	SHOP NO. 15, GROUND FLOOR, Shangrila Arcade, 100 Feet Anandnagar Main Road, Satellite, Ahmedabad - 380015, Near Shyamal Cross Road, SR. NO. 72, T.P.NO.3, FINAL PLOT NO. 115/1, admeasuring super built up area of 3260 Sq. Ft.	Ahmedabad	Leased	ANAR TRUST through its trustee SHRI JITENDRA RATILAL PATEL	361000
3	Paiki, 5, Shreyas Colony, Opp. Sardar Patel Stadium, Navrangpura, Ahmedabad, Gujarat 380009,	Ahmedabad	Leased	Hariram Dwarkadas Family Trust	76000

4	Mouje Kocharab, TP No-3/6, F P No - 647/6,G/8, Agrawal Aarked, Nr Sunder Gopal Complex, Nr Ambawadi,Ellisebridge, Ahmedabad-380006	Ahmedabad	Leased	Ms Falguni Rajnikant Thakkar	45150
5	Mouje, Bodakdev, Survey no 294-1, & 249/2 paiki, T P -1- B,f P 149 Paiki, Block F, Shop No GF-36, Rudra Square,Judges Bungalow Road, Bodakdev, Ahmedabad-380015	Ahmedabad	Leased	Mr Rajvirsinh Krishnakumar Gohil (HUF)	73500
6	Shop No 5-6, Ground Floor, Sepal Olivia, Beside Iscon Platinum, Bopal Cross Road, Bopal-Ambli, Ahmedabad, 2700 Sq Ft.	Ahmedabad	Owned	Dangee Dums Ltd	N/A
7	17, Ground floor, Four D Square, Motetra, Ahmedabad - 382424, 505 Sq Ft.	Ahmedabad	Licensed	Mr Siddharthsing K Raj	32825
8	Mouje Chandlodiya, Sur No - 238/2, T P no - 45, F P - 52, G F - 6, Satva Elegance, Nr Silver Star, Gota Main Rd, chandlodiya, Ahmedabad - 382481	Ahmedabad	Leased	Ms gitaben Jayeshbhai Patel	38000
9	Mouje, Ghodasar, Sur No 109/2, G-12, Silver Triangle, Opp Baroda Express Highway, Nr Shiromani Duplex, Jashodanagar, Ahmedabad-380026	Ahmedabad	Leased	Shailesh Jayantilal Gorecha	38850

10	Shop NO 4-5, Siddhachal omplex, Nr Doordarshan- TV Tower, Drive In Road, Ahmedabad Mouje Bodakdev, T P No1, FP No 2, (Survey No4/6/2)	Ahmedabad	Leased	Mr Chaula Paras Shah	71000
11	Mouje Sardar Nagar, City Sur No 604 Paiki Block No-143 B, Area 32.96Sq Mt, G F - 143/B, Talavdi Sardar Nagar, Hansol Road, Ahmedabad-382475	Ahmedabad	Leased	Mr Kailash Madhvdas Gangwani	39900
12	Shop No 17, Ground floor, Avni Iscon, Nr Haridarshan Char Rasta, Nava Naroda, Ahmedabad-382330, Survey No 638, Account No 1837, Paiki Land, 46.93 Built up Area.	Ahmedabad	Leased	Mrs Sangitaben Uttamkumar Sharma	25000
13	Mouje Chandkheda, T P No - 69, F P No -140, (Draft), Shop No E-158, Shantikunj Soc, Opp Lifecare HOSpital, IOC Road, Chandkheda, Ahmedabad-382424	Ahmedabad	Leased	Mr Kiritbhai Ganpatbhai Patel	27300
14	Shop No 6/A/GF, Radhakishan Villa Comm. Center, Nr Jaymala Ring Road, Isanpur, Ahmedabad	Ahmedabad	Leased	Mr Maltidevi Umashankar Goswami	32500
15	Survey No 430/1, Paiki of Mouje - Maktampura in Shop No A/2, GF, Ellicon Tower, Nr Vishala Circle, Maktampura, Ahmedabad	Ahmedabad	Leased	Mr Abdulaziz Abdulmazid Shaikh & others	24000

16	Ahmedabad, Mouje Ghatlodia, Survey No 286/1, T P No 2, Plot No 234, Shop No G/6, Swati Co Op Hou. Soc Ltd,Nr Mandakini Society, KK Nagar Road, Ghatlodiya, Ahmedabad	Ahmedabad	Leased	Mr Chiragkumar Jaswantlal Panchal / Mr Krunal Jaswantlal Panchal	24500
17	MoujeMithipur, Final plot no 31 paiki, Sub Plot No 2 of T P Scheme No 7 , Block No X, Shop No 6, Trade Square, Nr Parishkaar Flats, Khokhra, Ahmedabad - 380026	Ahmedabad	Leased	(1) DharmeshSureshchandra Jain / JignabenDharmeshJain (2) ShaileshbhaiNatvarbhai Patel(HUF)	52,500
18	Shop No 5, Shital Plaza, Shelat Bhuvan,Kankaria, Ahmedabad, 240 Sq Ft Area	Ahmedabad	Leased	Mr Nirmalsinh Dilipsinh Jadeja	40000
19	Shop No 34-35-36, Krishna Center, Mithakhali, Ahmedabad, Mouje Shekhpur, Khanpur, T P 3, F P 291, Paiki	Ahmedabad	Leased	Mr Jafarhusein Allarakha Mansuri / Ms Jahidabanu Jafarhusein Mansuri	80000
20	4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura Ahmedabad , Gujarat India 380014	Ahmedabad	Leased	Mr NikulJagdishchandra Patel / Mr JagdishchandraBhailalbhai Patel	50000
21	Mouje Naroda, TP No 1, F P No74, Sub Plot No 74/B/1, Sr No 11/ A/1, Block A, GF,Shop No 1, Raj Complex, Opp Krishna Cinema, Opp Mahaprabhu Ni Bethak, Naroda Ahmedabad-382325	Ahmedabad	Leased	Mr Ashokkumar Chunilal Patel	36750

22	4, GF, Pavilion Mall, Rajhans Cinema, Sukan Cross Road, Nikol, Ahmedabad-382350, Mouje Nikol, Sr No-304/1, T P no-102 (Nikol), f PNo- 73 "Pevelion"	Ahmedabad	Leased	Mr Jayeshbhai Ambalal Prajapati	50000
23	Moje. Paldi T P22, F P 15, Shop No G-2, Ground Floor, Shri Vardhman Complex, Below Syndicate Bank, Bhattha, Paldi, Ahmedabad 380007, Area Sq Mt 35.06	Ahmedabad	Leased	Mr Milan A Virani	57500
24	Shop No G4, Ground Floor, Sigma Legacy, IIM Road, Panjrapole, Ambawadi, Ahmedabad	Ahmedabad	Leased	Mr. Nikul Jagdishchandra Patel & Other	435000
25	Shop No.G-1 to G-18, F-1 to F-1, & S-1 to S-14, Plot No 180, Devraj Industrial Park, Piplaj-Pirana Road, Piplaj, Ahmedabad	Ahmedabad	Licensed	Devraj Infrastructure Ltd	30000
26	GF-9, Pushpak Shopping Complex, OppPrahlanagarAuda Garden, Prahlanagar, Satellite, Ahmedabad	Ahmedabad	Licensed	Mr Rashmitaben K Jadeja	70000
27	G-8, Ratnadeep Complex- 2, Nr Prerna Tirth Jain Derasar, Jodhpur, Satellite, Ahmedabad	Ahmedabad	Leased	Ratnakar Realty Private Limited	40000
28	Mouje, Kocharab, T P No- 3/5, F P No - 797/2-B &807, Shop - GF - 11, DevArchan, Opp Kocharab Ashram, nr Pritam nagar, Paldi, Ahmedabad, Gujarat -380006	Ahmedabad	Leased	Mr himanshu Chinubhai Shah / Ms Nityaben Himanshubhai Shah	58800

29	Municipal Service no. 2645/17/1, Survey no. 4201/1,Edroos Mahal, Ground Floor, Relief Road, Ahmedabad	Ahmedabad	Leased	Mr Dilip Dayaram Mandhrajani	60000
30	Shop No 4, Ground Floor, Block C, Ozone Solitaire, Sola, Ahmedabad-8	Ahmedabad	Licensed	Dishita Ankit Parikh, Nayana Sureshbhai Meghani and Bharti Rasikbhai Rokad	57500
31	T P No 6, F P 60, Block F, Shop no G-4/A, Satva Apartment, Mouje Paldi, Ahmedabad 380007	Ahmedabad	Leased	Mr. Vijay Fichadiya, Ms Misha Fichadiya	40000
32	Shop no 4, 'SOBO CENTER', Gala Gymkhana Road, Off S P Ring Road, South Bopal, Ahmedabad - 380058	Ahmedabad	Leased	Ms Rakhee Sabherwa / Mr Jaspreetsingh Sabherwal	61000
33	Mouje Shahibaug, City Survey No. S91,l, T.p.Scheme No.14,F. Plot No. 198, Sub Plot No. B-1- B, Shop No. G-1 and G-2, Ground Floor, Block- B, Mallinath Complex, Opp. Sujata Flat, Shahibaug, Ahmedabad - 380004	Ahmedabad	Leased	Mr. Kunal Jain and Mr. Dhaval Jian	150000
34	Shop No G-10, Dev-Aditya Complex, Thaltej-Shilaj Road, Thaltej, Ahmedabad	Ahmedabad	Leased	Mr Hiralbhai Vikrambhai Patel/ Mrs Ankitaben Hiralkumar Patel	37000
35	1-2, Karnavati Society, Opp Auda Office, Ashram Road, Ahmedabad, Mouje Usmanpura, T P No 3, F P No 93/1, Block No1 & 2	Ahmedabad	Leased	Laabh Hotel Private Limited	35000

36	Ground Floor, G/F-10, Himalaya Arcade, Near Vastrapur, Ahmedabad , around 480 sq ft Area	Ahmedabad	Leased	Mr Deepak Choithram Tekwani	48000
37	Shop No. G-1, Ground Floor, Shri Vardhman Building, Nr Bank of Maharashtra, Vijay Cross Roads, Navrangpura, Ahmedabad-380009	Ahmedabad	Leased	Mr Milan A Virani (HUF)	50000
38	Shop No 1 & 2, Next to Navchetan Driving School, Amul Dairy Road, Anand	Anand	Leased	Mr Chandresh B Arora	27500
39	Shop No 3, Opp Ramkrishna Seva Mandir, Nr Police Station, Manish Corner, Anand-VVN Road, GF & FF approx. 900 Sq Ft. Anand-388001	Anand	Leased	Ms Urvashi Anandrao Patel	37500
40	Mouje Village Nagarwada, Vadodara, being Shop No GF-1 & GF-2, Ground Floor, Shrushti Avenue, Vadodara	Vadodara	Leased	Mr Jigar Sumanbhai Patel / Sumanbhai Bhogilal Patel / Prerakbhai Sumanbhai Patel	80000
41	1-Kishan Atria Complex, Opp Tulsidham Apartment, Manjalpur, Vadodara 390011	Vadodara	Leased	Mr Ritesh Rajvir Sharma / Mr Rupendra Rajvir Sharma	50000
42	Shop No-43, Shivdarshan Society, Vasna Road, Vadodara	Vadodara	Leased	Mr Vinodbhai Nanjibhai Patel	52500

43	Mouje Bapod, T P No -3, F P No-436, D-10, Meghannagar Society, Waghodiya, Vadodara	Vadodara	Leased	Mr Ashokkumar Jagdishprasad Agrawal	35000
44	Shop No -25, Super Mall-2, Infocity, Gandhinagar	Gandhinagar	Leased	Mr Arvindbhai Ramkishorsinh	60000
45	Mouje Sector 21, Shop No-A-6/2, District Shopping Center, Nr Sector-21, Gandhinagar, Gujrat-382021	Gandhinagar	Leased	Ms Hema Dilip Makhija	40000
46	4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura Ahmedabad , Gujarat India 380014(Head Office)	Ahmedabad	NOC for premise	Mr Nikul Jagdishchandra Patel / Mr Jagdishchandra Bhailalbhai Patel	N/A
47	Shop No 11, GF, Shree APM Markets Shop, Offices & Premises Co Op Housing Soc. Ltd., Opp Sun & Step Club, Sola Road, Ahmedabad	Ahmedabad	Licensed	Mr. Paresh Arvindbhai Shah & Mrs. Shalini Paresh Shah	46575

The Company has closed all its 19 stores including its major store category under brand name “DANGEE DUMS” AND “DANGEE DUMS YUMS” in Surat. It is to be noted that the stores in Surat had contributed total revenue of Rs. 4,18,93,550/- in Financial Year 2019-20 and Rs. 5,64,94,315/- in the Financial Year 2018-19 which constitutes 11.85% and 14.74 % of total revenue of the concern financial year respectively. The closure of all the stores of the Company in Surat (Gujarat) will result negative to its total revenue in the current financial year it will save the company from prospective cash loss due to non-viability of the stores arose out of the present pandemic and the Company also does not see any major improvements in the performance of the stores in Surat City.

Intellectual Property

The Company owns 2 (two) trademarks which have been registered in its favour, details of which are provided in the tabular chart below:

Date of registration	Trademark No.	Mark	Status	Class	Validity
July 8, 2011	2172536	DangeeDums (Device Mark) 	Registered*	43 (Services for providing food and drink temporary accommodation)	Up to July 8, 2021
July 8, 2011	2172535	DangeeDums (Device Mark) 	Registered*	30	Up to July 8, 2021

**The trademarks shown above are registered in the name of the Company (Aromen Hospitality Pvt. Ltd.) and the address shown is also the previous address of the Company at Ground Floor, Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015. As on the date of this Information Memorandum, the Company has not made any application to the Registrar of Trademark for Change of name to Dangee Dums Limited and change of its address*

Details of the trademarks that have been applied for by Mr. Nikul Jagdishchandra Patel are as under:

Date of registration /application	Trade mark No.	Mark	Status	Class	Validity
June 15, 2015	2984820	Republic of Dangee Dums with device of shield with lions 	Registered *	43 (Cafeteria, Canteen, Food and Drink catering, restaurants, snackbar)	June 15, 2025
June 16, 2015	2985423	Dangee Dums (word mark) 	Registered *	29 (cheese, milk shakes, milk products, milk beverages, vegetable salads, yogurt)	June 16, 2025

June 16, 2015	2985422	Dangee Dums (word mark) 	*Registered	30 (biscuits, cookies, bread rolls, bread, cakes, chocolate, chocolate beverages with milk, chocolate coated nuts, coffee beverages with milk, coffee, coffee-based beverages, dessert mousses, ice cream, iced tea, pancakes, pastries, pizzas, pralines, puddings, sandwiches, sherbets [ices], sorbets [ices], tacos, tea, tea-based beverages, tortillas, waffles, frozen yogurt)	June 16, 2025
June 16, 2015	2985421	Dangee Dums (word mark)	Registered	43	June 16, 2025

					
June 16, 2015	2984821	Republic of Dangee Dums (word mark) 	*Registered	43	June 16, 2025

**The trademarks shown above are registered in the name of Mr. Nikul Jagdishchandra Patel. As on the date of this Information Memorandum, the Company has not made any application to the Registrar of Trademark for transfer of Trademark from Mr. Nikul Jagdishchandra Patel to Dangee Dums Limited. However, the Company has granted NOC to Mr. Nikul Jagdishchandra Patel to apply for Trademark under his personal name, through*

- (i) board resolution dated November 15, 2016 for the registration of trademark bearing no. 2984821 having the name “Republic of DangeeDums”.
- (ii) board resolution dated November 15, 2016 for the registration of trademark bearing no. 2985421 having the name “Republic of DangeeDums”.
- (iii) board resolution dated November 15, 2016 for the registration of trademark bearing no. 2985422 having the name “DangeeDums”.

Further, Mr. Nikul Jagdishchandra Patel has executed an Affidavit dated September 18, 2017 tranfering all the rights in favour of Dangee Dums Limited.

For details on the status of the application made to register our logo, please refer to the chapter —**Government and Other Approvals**

ASSETS INSURED

Sr.No.	Policy No.	Policy Details	Expiry Date (dd/mm/yy)	Sum Assured Amt (In Rs.)	Insurance Company
1	015798361000	Private car package policy GJ-01-RP-5131	29/01/2021	620549	Go Digit General insurance Limited
2	213000311709517	Goods Carrying Vehicles Package Policy GJ 01 ET4959	30/3/2021	577620	ICICI Lombard General Insurance

3	213000311709516	Goods Carrying Vehicles Package Policy GJ 01 ET4865	30/03/2021	577791	ICICI Lombard General Insurance
4	213000311709515	Goods Carrying Vehicles Package Policy GJ 01 ET4611	29/03/2021	577620	ICICI Lombard General Insurance
5	213000311709514	Goods Carrying Vehicles Package Policy GJ 01 ET4600	29/03/2021	577620	ICICI Lombard General Insurance
6	213000311709478	Private car package policy GJ- 01-RW-9406	23/03/2021	316800	Future Generali Total Insurance Solutions
7	213000311709480	Private car package policy GJ- 01-RW-9023	23/03/2021	316800	Future Generali Total Insurance Solutions
8	213000311709477	Private car package policy GJ- 01-RW-9228	23/03/2021	316800	Future Generali Total Insurance Solutions
9	213000311709479	Private car package policy GJ- 01-RW - 9260	23/03/2021	316800	Future Generali Total Insurance Solutions
10	21300031180100000181	commercial Vehicle Package Policy GJ-01-DX-9039	05/04/2021	310050	The New India Assurance Co Ltd
11	21300031180100000180	commercial Vehicle Package Policy GJ-01-DX-9279	05/04/2021	310050	The New India Assurance Co Ltd
12	OG-19-2202- 1803- 00001689	commercial Vehicle Package Policy GJ-27-V-9948	15/06/2021	598103	Iffco Tokio General Insurance company Limited

13	21300031170300005197	Two Wheeler Enhancement Cover Policy GJ-27-AS-5847	25/10/2020	30765	The New India Assurance Co Ltd
14	21300031180300001994	Two Wheeler Enhancement Cover Policy GJ-01-SK-9970	26/06/2021	22365	The New India Assurance Co Ltd
15	21300031180300001995	Two Wheeler Enhancement Cover Policy GJ-01-SK-9738	26/06/2021	20704	The New India Assurance Co Ltd
16	21300031180300001993	Two Wheeler Enhancement Cover Policy GJ-01-SK-8992	26/06/2021	20704	The New India Assurance Co Ltd
17	OG-19-2202- 1803- 00003045	commercial Vehicle Package Policy GJ-27-V-7590	12/07/2021	565833	Bajaj Allianz General Insurance Co Ltd
18	OG-19-2202- 1803- 00002973	commercial Vehicle Package Policy GJ-27-V-7561	13/07/2020	565833	Bajaj Allianz General Insurance Co Ltd
19	OG-19-2202- 1803- 00003369	commercial Vehicle Package Policy GJ-01-X-2585	17/07/2020	1870732	Reliance General Insurance Company Ltd.
20	21300031170300003441	Private car enhancement cover policy GJ-01-RU-0620	10/08/2021	557140	The New India Assurance Co Ltd
21	3003/134390921/00/000	Goods Carrying Vehicles Package Policy GJ-01-CZ-3327	12/08/2021	286623	Iffco Tokio General Insurance company Limited
22	21300031170300004276	Two Wheeler Enhancement Cover Policy GJ-27- AQ-9118	15/09/2020	30765	The New India Assurance Co Ltd

23	21300031170300 004275	Two Wheeler Enhancement Cover Policy GJ-27-AQ-9195	15/09/2020	30765	The New India Assurance Co Ltd
24	21300031170300 004274	Two Wheeler Enhancement Cover Policy GJ-27-AR-0927	20/09/2020	30765	The New India Assurance Co Ltd
25	21300031170300 004273	Two Wheeler Enhancement Cover Policy GJ-27-AR-0524	20/09/2020	30765	The New India Assurance Co Ltd
26	21300031170300 004272	Two Wheeler Enhancement Cover Policy GJ-27-AR-0503	20/09/2020	30765	The New India Assurance Co Ltd
27	21300031170300 004269	Two Wheeler Enhancement Cover Policy GJ- 27-AQ-9305	15/09/2020	30765	The New India Assurance Co Ltd
28	21300031170300 004270	Two Wheeler Enhancement Cover Policy GJ-27-AR-0894	20/09/2020	30765	The New India Assurance Co Ltd
29	21300031170300 004271	Two Wheeler Enhancement Cover Policy GJ-27-AR-0858	20/09/2020	30765	The New India Assurance Co Ltd
30	21300031170300 004901	Commercial Vehicle Enhancement Cover Policy GJ- 27-V-7648	15/10/2020	663157	Bajaj Allianz General Insurance Co Ltd
31	21300031170300 005196	Private car enhancement cover policy GJ-01-RM-7131	21/10/2020	1137500	The New India Assurance Co Ltd

32	21300031170300 004904	commercial Vehicle Package Policy GJ-27-V-7962	15/10/2020	663157	The New India Assurance Co Ltd
33	21300031170300 004901	commercial Vehicle Package Policy GJ-27-V-7648	15/10/2020	663157	Bajaj Allianz General Insurance Co Ltd
34	TUI/11312797	Private car package policy GJ- 01-RW-4131	15/12/2020	2320661	United India Insurance Co Ltd
35	2200117249	Worksmen compensation	24/03/2021	8848896	ICICI Lombard General Insurance
36	4066/199070227/00/000	Comprehensive General Liability Insurance	26/03/2021	10000000	ICICI Lombard General Insurance
37	23112015319532 01000	Private car comprehensive policy GJ-01-RM-6131	20/10/2020	3910963	HDFC Ergo general insurance co ltd
38	1001/192489952/00/000	Standard Fire And S pecial Perils Insuran ce	04.01.2021	442000000	ICICI Lombard

Infrastructure Facilities

Power

The company has adequate power connection in place. Since it is not power extensive unit, the requirement of power is not much.

Adequate storage facilities are also provided in the plant.

Particulars	Electricity Consumption (Per Month)	
	Sanctioned Load	Average Utilisation
Factory at Piplaj -	197.53 KW	170.71 KW
Head Office -	25.20 KW	21.75 KW

▪ **Water:**

Water requirement for the manufacturing and allied processes is very minimal and the same is procured locally by way of existing water supply network in that area.

Particulars	Water Consumption
Factory at Piplaj - RO Water	2500 to 3000 Ltr per day
Piplaj - Regular	22000 to 25000 Ltr per day
Head Office -	2000 Ltr per day

Land

As, on the date of this Information Memorandum, the Company does not own any Land or Premises in its own name, the company uses land and Premises on Lease basis.

KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled—**Government and other Approvals** of this Information Memorandum.*

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

*In addition to what has been specified in this Information Memorandum, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labour laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the section titled—**Government and Other Approvals** of this Information Memorandum.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations are applicable to our company

This chapter has been classified as under:

- A. Business and Trade related regulations**
- B. Statutory and business laws**
- C. Laws relating to Labour and Employment**
- D. Environmental laws**
- E. Tax Laws**

A. BUSINESS AND TRADE RELATED REGULATIONS

The Foods Safety Standards Act, 2006 (—FSSAI)

The FSSA was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (—FSSAI) for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and other connected matters. The FSSAI is *inter alia* responsible for regulating and monitoring the manufacture, processing, distribution, sale and import of food so as to ensure safe and wholesome food; providing scientific advice and technical support to the Government of India and the state governments in framing the policy and rules in areas which have a direct or indirect bearing on food safety and nutrition. The FSSA also sets out requirements for licensing and registration of

food businesses, general principles for food safety, responsibilities of the food business operator, liability of manufacturers, restrictions on advertisement and prohibition of unfair trade practice.

B. STATUTORY AND COMMERCIAL LAWS

The Companies Act, 2013

The Companies Act 2013 is an Act of the Parliament of India which regulates incorporation of a company, responsibilities of a company, directors, dissolution of a company. The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs vide its notification dated September 12, 2013 has notified 98 sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. Further 183 sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

Motor Vehicles Act, 1988 (—MV Act)

The MV Act aims at consolidating the laws related to motor vehicles and *inter alia* provides for compulsory driving license, registration of vehicles and compulsory insurance. Acts such as driving the vehicle without a valid license, allowing such person to use the vehicle, and driving vehicle of unsafe condition, are criminal offences under the MV Act.

Consumer Protection Act, 1986 (—Consumer Protection Act)

The Consumer Protection Act was promulgated to provide for better protection of the interests of consumers against deficiency in goods or deficiency in services and secure the rights of consumers against unfair trade practices. Consumer Protection Act also provides for establishment of consumer councils and other authorities for the settlement of consumers' disputes and for the matters connected therewith.

The Sale of Goods Act, 1930 (—Sale of Goods Act)

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of the Sale of Goods Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Sale of Goods Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in the Sale of Goods Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

C. LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

The Factories Act, 1948

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing

process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both. Further, the state government has enacted the Gujarat Factories Rules, 1963, which seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The said Rules also mandate maintenance of certain statutory registers in the factory.

The Employees State Insurance Act, 1948, (—ESIC Act)

The ESIC Act aims to provide for certain benefits to employees in case of sickness, maternity, employment injury disablement and to make provision for certain other matters in relation thereto. The Act provides for the establishment of a Corporation to be known as the Employees’ State Insurance Corporation for the purpose of the administration of Employees State Insurance Scheme. The Corporation shall be a body corporate by the name of Employees’ State Insurance Corporation having perpetual succession and a common seal and shall by the said name sue and be sued.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages. Workers are required to be paid for overtime at overtime rates stipulated by the appropriate State Government. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

Employees’ Compensation Act, 1923 (—ECA)

The ECA has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for injuries resulting in (i) the death or (ii) permanent total disablement (iii) permanent partial disablement (iv) temporary disablement whether total or partial, or who has contracted an occupational disease of such workmen. The E C A makes every employer liable to pay compensation in accordance t h e r e with if a n y o f t h e a b o v e is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the ECA within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with s i m p l e interest and may also impose a penalty.

Payment of Wages Act, 1936 (—Payment of Wages Act)

The Payment of Wages Act applies *inter alia* to the persons employed in any factory and to persons employed in industrial or other establishments. Under sub-section (6) of section 1 of the Payment of Wages Act, the Central Government is empowered to enhance the wage-limit for its applicability, after every five

years, on the basis of the Index of Consumer Expenditure Survey brought out by the National Sample Survey Office of Ministry of Statistics Programme Implementation, by notification in the Office Gazette. The existing wage limit for applicability of the Act has recently been enhanced from Rs.18,000/- per month to Rs.24,000/- per month vide Gazette Notification S.O. No. 2806 (E) dated 28th August, 2017. The Payment of Wages Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of the Payment of Wages Act and Rules made there under.

The Payment of Gratuity Act, 1972 (—Gratuity Act)

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months and in such other establishments in which 10 (ten) or more employees are employed or were employed on any day of the preceding 12 (twelve) months, as notified by the Central Government from time to time. Under the Gratuity Act, an employee who has been in continuous service for a period of 5 (five) years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (—EPF Act)

Under the EPF Act, compulsory provident fund, employees pension fund and deposit linked insurance are payable to employees in factories and other establishments. The EPF Act inter-alia provides that a factory mentioned in Schedule I employing 20 (twenty) or more persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee_s provident fund. The Central Government may notify other establishments to which the EPF Act shall apply. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee_s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also inter-alia imposes punishments on any person who avoids making payments required to be made under the schemes made under the EPF Act and specifically on employers who contravene or default in complying with certain provisions of the EPF Act. If the person committing an offence is a company, every person who at the time the offence was committed was in charge of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Payment of Bonus Act, 1965 (—PoB Act)

The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed. An employee becomes entitled to be paid bonus in accordance with the provisions of the PoB Act if he has worked for at least 30 days in a year. Contravention of the provisions of the Payment of Bonus Act, 1965 is punishable with imprisonment up to six months or a fine upto Rs.1,000/- only or both.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act")

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act was implemented. The Equal Remuneration Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children (defined as being below 14 years of age) in any occupations and processes and the employment of adolescent (defined as being above but below 18 years of age) in any hazardous occupation or processes specified in the said Act. The Central Government, may by notification, specify the non-hazardous work to which an adolescent may be employed.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

The Gujarat Shops and Establishments Act, 1948

The Gujarat Shops and Establishments Act, 1948 aims at regulation of conditions of work and employment in shops, commercial establishments, residential hotels, restaurants, eating houses, theatres, other places of public amusement or entertainment and other establishments. The said Act prescribes various rules to be followed by employer regarding working conditions including the maximum number of hours employees can be employed for, the minimum number of leaves to be made available etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013(—SHWW Act)

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee

i.e. a written complaint is to be made within a period of 3 (three) months from the date of the incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act in the first instance shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 (the “**ID Act**”) provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. Further, as per Section 9C, every industrial undertaking employing more than 20 workmen is required to appoint a grievance redressal committee for the resolution of disputes arising out of individual grievance. Such committee shall consist of equal number of representatives of the employer and workmen, in aggregate not exceeding 6 members.

D. ENVIRONMENTALLAWS***The Water (Prevention And Control Of Pollution) Act, 1974 (—Water Act)***

The Water Act aims to prevent and control water pollution. This legislation provides for the constitution of a central pollution control board and state pollution control boards for the performance of various functions relating to prevention and control of water pollution. Prior consent of the State Board is required before the establishment of a new operation which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land. The Water Act prohibits the use of a stream or well for the disposal of any polluting matter. The State Boards have the power of entry and inspection and to take samples of effluents passing from any plant into any stream or well for the purposes of determining such violation.

The Air (Prevention And Control Of Pollution) Act, 1981 (—Air Act)

The central and state pollution control boards constituted under the Water Act are also to perform functions as per the Air Act for the prevention and control of air pollution. The Air Act aims for the prevention, control and abatement of air pollution. In terms of the Air Act, it is mandated that no person can, without the previous consent of the state board, establish or operate any industrial plant in an air pollution control area.

The Water (Prevention And Control Of Pollution) Cess Act, 1977 (—Water Pollution Cess Act)

The Water Pollution Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries to augment the resources of the central pollution control board and state pollution control boards. The Water Pollution Cess Act also provides for a rebate to the extent of 25% of the cess payable, in favour of persons who, being liable to cess under the Water Pollution Cess Act, install any plant for the treatment of sewage or effluents. However this rebate is not applicable to persons consuming water in excess of the maximum prescribed quantity or who fail to comply with the provisions of section 25 of the Water Act or who fail to adhere to standards laid down by the Central Government under the Environment Act.

The Environment Protection Act, 1986 (—Environment Act)

The Environment Act has been enacted for the protection and improvement of the environment. The Environment Act empowers the government of India (GOI) to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas in which any Industries, operations or processes or class of industries, operations or processes shall not be carried out or shall be carried out subject to certain safeguards and so on. The GOI may make rules for regulating environmental pollution. The Environment (Protection) Rules, 1986 (Environment Rules), as amended, further the purpose of the Environment Act. Rule 3 of the Environment Rules read with the Schedules to the Rules lay down the standards of emission or discharge of environmental pollutants. Rule 3 also permits the central board or state boards to prescribe even more stringent emission/discharge standards. Rule 5 sets out the procedure and considerations to be taken into account by the Central Government while passing an order prohibiting or restricting the location of industries.

E. TAXLAWS

The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

Goods and Service Tax Act, 2017

Goods and Service Tax (GST) is one of the most remarkable tax reforms that has taken place in India so far. The Central Goods and Services Tax Act, 2017 (–GST Act), simplifies the process of taxation on goods and services in India. The act bestows power on the Parliament and the State legislatures to make laws for imposing taxes on goods and services at the national level. **GST** is an indirect tax which was introduced in India on 1 July 2017 and is applicable throughout India which has replaced multiple cascading taxes levied by the central and state governments. The single GST replaced several former taxes and levies which includes central excise duty, services tax, additional customs duty, surcharges, state-level value added tax and Octroi. Other levies which were applicable on inter-state transportation of goods have also been done away with in GST regime.

The Central Excise Act, 1944

In accordance with the Central Excise Act and Central Excise Rules, every person who produces or manufactures any excisable goods is required to get itself registered with the Jurisdictional Deputy or Assistant Commissioner of Central Excise. Hence this Act is applicable to the Company. Further, the provisions of the Central Excise Rules provide that the manufacturer of final products (other than SSI's) shall submit the duty on goods removed from the factory or warehouse during the month by fifth day of following month. Also a Monthly Return in Form ER1 is required to be submitted to the Superintendent of Central Excise within 10 days after the close of the month.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

The Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujrat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the

Registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

HISTORY AND CERTAIN CORPORATE MATTERS**Brief History and Background**

Our Company was originally incorporated on August 13, 2010 as —Aromen Hospitality Private Limited vide Registration no. 061983 (CIN: L55101GJ2010PLC061983) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Further, the name of the Company was changed to —Dangee Dums Private Limited vide Shareholder's Resolution passed at the Extra Ordinary General Meeting of the Company held on June 19, 2017 and a fresh Certificate of Incorporation dated 30th June, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Later, our Company was converted into Public Limited Company and consequently name of company was changed from —Dangee Dums Private Limited to —Dangee Dums Limited vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on August 01, 2017 and a fresh certificate of incorporation dated August 24, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

Our Company was originally promoted by Mr. Mrudang Darshan Jambusaria and M/s. Nirman Infracon Private Limited who were the initial subscribers to the Company's Memorandum and Articles of Association in the year 2010. Presently, Mr. Nikul Jagdichandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel are Promoters of the Company.

As on date of this Information Memorandum, our Company has Two Hundred and seventeen (217) shareholders.

For information on our Company's profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled

Industry Overview, Our Business, Our Management, Financial information of the Company and Management's Discussion and Analysis of Financial Condition and Results of Operations.

Address of Registered Office:

The Registered Office of the Company is situated at 4/A, Ketan Society, Opp. B.D. Patel House, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India.

Changes in Registered Office of the Company since incorporation

The Registered Office of our Company has shifted twice for the sake of better operational efficiency and administrative convenience.

Except as mentioned below, there has not been any change in our Registered Office since incorporation till date of this Information Memorandum:

From	To	Date of Change	Reason for Change
04, Ground Floor, Sigma Legacy, IIMA Road, Panjrapole, Ambawadi, Ahmedabad – 380015, Gujarat, India	Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj, Ahmedabad-382405, Gujarat, India	June 25, 2015	For the better administrative convenience
Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park,	4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura,	September 01, 2017	For the better administrative

Piplaj-Pirana Road, Piplaj , Ahmedabad-382405,Gujarat, India	Ahmedabad - 380 014, Gujarat,India		convenience
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*Note: The current Registered office of our Company which is situated at 4/A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380014, Gujarat, India is owned by our Promoters Mr. Nikul Jagdishchandra Patel and Mr. Jagdishchandra Bhailalbhair Patel and the same is being used on the basis of No Objection Certificate dated September 01, 2017 granted by the Owners to our Company. As on the date of this Information Memorandum, the Company has not executed a valid agreement with the Owners for use of Premises as the Registered Office of the Company.

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business as producer, dealer, trader, importer, exporter, distributor of cakes, pastries, any types of confectionery items, bread and bakery products, Ice-cream, dairy products, snacks, cold drinks, soft drinks, Vegetarian food products, deserts, coffee, tea, flavours, Vegetarian frozen foods, and to establish, run, operate and manage cafes, restaurants, bars, recreation and entertainment centres, health resorts, health clubs, catering house, canteen, spa centre, yoga centre, natural care centre and giving franchisee and providing services related to above business and act as agent, including acquiring franchisee of fast food and other related food item makers and to appoint sub franchisees.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	The initial authorised share capital of our Company was Rs. 1.00 Lakh divided into 10,000 Equity Shares of Rs.10/- each. This authorised capital was increased to Rs. 100.00 Lakh divided into 10,00,000 Equity Shares of Rs. 10/- each	December 01, 2015	EGM
2.	The authorised capital of our Company of Rs. 100.00 Lakh divided into 10,00,000 Equity Shares of Rs.10/- each was increased to Rs. 1000.00 Lakh divided into 1,00,00,000 Equity Shares of Rs. 10/- each	April 18, 2017	EGM
3.	The Name of Company was Changed from Aromen Hospitality Private Limited to Dangee Dums Private Limited and a fresh Certificate of incorporation dated June 30, 2017 was issued by Registrar of Companies, Gujarat, Ahmedabad	June 19, 2017	EGM

4.	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from Dangee Dums Private Limited to Dangee Dums Limited and a fresh Certificate of Incorporation dated August 24, 2017 bearing CIN U55101GJ2010PLC061983 was issued by Registrar of Companies, Gujarat, Ahmedabad.	August 01, 2017	EGM
5.	Increased in the authorised capital of our Company of Rs.1000.00 Lakh divided into 1,00,00,000 Equity Shares of Rs.10/- each was	September 14, 2017	EGM
	increased to Rs. 1100.00 Lakh divided into 1,10,00,000 Equity Shares of Rs. 10/- each		
6.	Adoption of new Memorandum of Association pursuant to conversion of Company from Private Limited to Public Limited and change in Object clause.	August 01, 2017	EGM
7.	To Adopt New Set Of Memorandum Of Association containing regulation in conformity with the Companies Act, 2013	August 01, 2017	EGM

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-ordinary General Meeting of the Company dated August 01, 2017

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
2010	Incorporation of the Company in the name and style of —Aromen Hospitality Private Limited
2011	Started the Commercial Activities under the Brand Name–DangeeDums.
2011	Opened its first retail outlet at Panjrapole ,Ahmedabad under the Brand Name–DangeeDums.
2012	5th Store Opening
2012	Launched at Gandhinagar – first outlet in the state capital opened at Infocity.
2013	Official opening of–Republic of DangeeDums in June–a unique travel-themed café and restaurant.
2013	7th retail outlet opening – a huge step forward.
2014	Launch of campaign: ‘The Cake Face’ – Establishing a vibrant and bold brand image.
2014	Launch of campaign: ‘Cake of the Week’ – Changing people’s perceptions that cakes are meant for indulging, whatever the occasion is.

2014	Launch of campaign: ‘Open till 1 AM’ – Pioneered the concept of keeping a cake store open past midnight to cater to a much-loved Amdavadi habit.
2014	10th Store Opening
2015	Launch of campaign: ‘Loot Lo’ – super-hit campaign by selling Belgium Truffle, our signature cake, at 250/-only.
2015	Launch of campaign: ‘Cake of the Week is Back’ – Riding on the success of Loot Lo, we realized our patrons loved the idea of getting a decadent chocolate cake for just 250/-, and breathed a new life in to our earlier campaign.
2015	27th Store Opening, Expansion to Vadodara & Anand
2015	Started the Commercial Activities from factory situated at Shop No. G-1 to G-14 & F-1 to F-14 Devraj Industrial Park, Piplaj-Pirana Road, Piplaj , Ahmedabad-382405, Gujarat,India
2016	Started Foodista Multi-Cuisine Restaurant at Panjrapole, Ahmedabad, beside our popular flagship retail outlet.
2016	Launch of campaign: ‘Star of the Week’ – New addition to the cake segment, with three mouth-watering variants available at 121/-only
2016	50th Store Opening, Expansion to Surat
2016	Launch of campaign: ‘Chhotu Cake @99’ – Chhotu Cake was launched at the jaw-dropping price of Rs. 99/- only, receiving instant approvals across all audiences.
2016	Started store-wise engagement campaign ‘Free Cake Dhamaka’ - Distributed free cakes to people living close by the outlets, garnering awareness and interest from our patrons, and a lot of good publicity for Dangee Dums.
2017	75th Store Opening – The year started with the achievement of a fantastic milestone
2017	Launch of a new product line – Dangee Dums Premium Ice creams
2017	Change in the name of the Company from —Aromen Hospitality Private Limited to Dangee Dums Private Limited.
2017	Conversion of our Company from Private Limited to Public Limited Company and name of the Company has been changed from Dangee Dums Private Limited to Dangee Dums Limited
2018	1. Dangee Dums entered the packaged goods segment with launch of its coated chocolate products in two flavours. 2. Re launched flagship store at panjrapole as sit format with multiple dessert options beyond the regular fare at Dangee Dums. 3. Listing on NSE-SME Platform on September 03,2018.
2019	1. Panjrapole format re-branded as “Dangee Dums Yums” our sub brand for dessert cafe format.

	2. Launched second store of this format in Shyamal& Bopal 3. Expanded our Consumer Packaged Group(CPG) portfolio by re-launching ice cream product in a new consumer friendly packaging format. 4. Made entry into a new category in the CPG domain with the launch of cookies & Khari.
2020	1. Extended the presence of dessert cafe format in prime location of Shahibaug as "Dangee Dums Yums" 2. Extended product line CPG domain by introducing cream rolls. 3. Closed all 19 outlets in Surat due to COVID-19. 4. Closed 8 Stores in Ahmedabad due to COVID-19. 5. Closed 1 Store in Anand due to COVID-19. 6. Closed 5 Store in Vadodara due to COVID-19. 7. Closed 1 Store in Gandhinagar due to COVID-19.

Other Details about our Company

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled —Our Business, —Management's Discussion and Analysis of Financial Conditions and Results of Operations of this Information Memorandum. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" of this Information Memorandum respectively.

Promoters of our Company:

The Promoters of our Company are Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel. For details, please refer to the Chapter titles —Our Promoters and Promoter Group of the Information Memorandum.

Acquisition of Business/Undertakings & Amalgamation

Except as disclose in this Information Memorandum, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of the Information Memorandum, our Company is not a subsidiary of any company.

Subsidiary of our Company

As on date of this Information Memorandum, our Company does not have any Subsidiary.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled —Capital Structure of the Information Memorandum. For details of our Company's debt facilities, please refer section —Statement of Financial Indebtedness of the Information Memorandum.

DANGEE DUMS LIMITED

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

There are no injunctions/ restraining orders that have been passed against the Company.

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Information Memorandum. Furthermore, except as disclosed in chapter titled–Capital Structure of this Information Memorandum, none of the Company's loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Information Memorandum, our employees are not unionised.

Shareholders of our Company:

Our Company has Two Hundred and Seventeen (217) shareholders as on the date of this Information Memorandum. For further details on the shareholding pattern of our Company, please refer to the chapter titled–Capital Structure of the Information Memorandum.

Changes in the Management

For details of change in Management, please see chapter titled–Our Management of the Information Memorandum.

Changes in activities of our Company during the last five (5) years

There has been no change in the business activities of our Company during last five (5) years from the date of this Information Memorandum which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled–Management's discussion and analysis of financial conditions & results of operations of this Information Memorandum,

Shareholders Agreements

As on the date of this Information Memorandum, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Collaboration Agreements

As on the date of this Information Memorandum, our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

OTHER AGREEMENTS***Non Compete Agreement***

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Information Memorandum.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Information Memorandum, Our Company does not have any strategic partners as on the date of this Information Memorandum.

Financial Partners

Our Company does not have any financial partners as on the date of this Information Memorandum.

Changes in the activities of Our Company having a material effect

Other than as mentioned above in the chapters titled ‘*Business Overview*’ and ‘*History and Corporate Structure*’ of this Information Memorandum, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors.

Details of Past Performance

For details in relation to our financial performance in the previous two financial years, including details of non recurring items of income, please refer to the section titled ‘Financial Information’ of this Information Memorandum.

Corporate Profile of our Company

For details on the description of our Company’s activities, the growth of our Company, please see Our Business, Management’s Discussion and Analysis of Financial Conditions and Results of Operations and of this Information Memorandum.

Other declarations and disclosures

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any Public Issue or Rights Issue (as defined in the SEBI (ICDR) Regulations) in the past. No action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

OUR MANAGEMENT

Board of Directors: Currently, our Company has six(6) Directors and out of which one (1) is Non-Executive Director And three (3) Independent Director.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Information Memorandum:

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Post Issue)	Other Directorships
1.	Mr. Nikul Jagdishchandra Patel Father Name: Mr. Jagdishchandra Bhailalbhai Patel Age: 34 Years Designation: Chairman and Managing Director Address: 11 Manichandra Co Op Hsg Soc, Part 3, Nr. Surdhara Circle, Thaltej Ahmedabad - 380054 Gujarat, India Experience: 13 Years Occupation: Business Qualifications: Bachelor of Engineering (Civil) Nationality: Indian DIN: 01339858	Appointed as Director w.e.f. August 13, 2010 (Since Incorporation) and Designated as Chairman and Managing Director w.e.f. September 01, 2017 for a period of 5 years ⁽ⁱ⁾	21,280 Equity Shares 0.21% of Post-issue Paid-up Capital	Companies: 1. Nirman Infracon Private Limited 2. Zipbooks Software Solutions Private Limited LLP: 1. Viral Gruh Nirman LLP 2. Avichal Projects LLP

2.	Mr. Ravi Hemantkumar Patel Father Name: Mr. Hemantkumar Chhabildas Patel Age: 37 Years Designation: Whole-time Director Address: 78, Kalhar Exotica Near Science City, Sola Ahmedabad 380060 Gujarat, India Experience: 13 Years Occupation: Business Qualifications: Bachelor of Science (Computer Science) Nationality: United States DIN: 02017962	Appointed as Executive Director in EGM dated May 24, 2011 and designated as whole-time director w.e.f. September 01, 2017 for a period of 5 years ⁽ⁱⁱ⁾	17,81,185 Equity Shares 17.35% of Post-Issue Paid up Capital	Companies: NIL LLP: NIL
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Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Post Issue)	Other Directorships
3.	Mrs. Foram Nikulbhai Patel Father Name : Mr. Chetan Himmatlal Kapasi Age: 33 Years Designation: Non-Executive Director Address: 11 Manichandra Co Op Hsg Soc, Part 3, Nr. Surdhara Circle, Thaltej Ahmedabad - 380054 Gujarat, India Experience: 13 Years Occupation: Business Qualifications: Bachelor of Engineering (Civil) Nationality: Indian DIN: 02017816	Originally appointed on the Board as Additional Non Executive Director vide board Meeting dated June 30,2017 Appointed as Non-Executive Director in EGM dated August 01,2017	52,97,835 Equity Shares 51.61% of Post-Issue Paid up capital	Companies: NIL LLP: NIL
4.	Mr. Umang Brijmohan Saraf Father Name: Brijmohan Liladhar Saraf Age: 37years Designation: Additional Independent Director Address: 49 Sarathi .3 Blh Drive In Cinema Ahmedabad 380052, Gujarat,India Experience: 10 years Occupation: Business Nationality: Indian DIN: 00510800	Appointed as Additional Independent Director in Board Meeting dated June 30,2018 Appointed & regularized as Independent Director in AGM Dated August 30, 2018		Companies: 1. Agam Trade-links PrivateLimited LLP: 1. Udgam Enterprises LLP

5.	Mr. Jayantilal Atmaram Patel Father Name: Atmaram MohandasPatel Age: 55 years Designation: Additional Independent Director Address: 1/35, Babajipura, Kadi, Mehsana Dist. Kadi 382715, Gujarat,India Experience: 30 years Occupation: Business	Appointed as Additional Independent Director in Board Meeting dated June 30,2018 Appointed & regularized as Independent Director in AGM Dated August 30, 2018		Companies: 1. Swiss Park Hotels PrivateLimited 2. Dahison Building Systems PrivateLimited 3. SCC Infrastructure PrivateLimited LLP: NIL
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Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Post Issue)	Other Directorships
	Nationality: Indian DIN: 03644777			
6.	Mr. Janak Natverlal Parikh Father's Name: Natverlal Baldevas Patel Age: 47years Designation: Additional Independent Director Address: Pitruvatsalya, 13 Sadhana Colony, Stadium Road Ahmedabad- 380014, Gujarat,India Experience: 22 years Occupation: Business Nationality: Indian DIN: 07930360	Appointed as Additional Independent Director in Board Meeting dated June 30,2018 Appointed & regularized as Independent Director in AGM Dated August 30, 2018		Companies: NIL LLP: NIL

(i) Further appointed as Managing Director vide Board Meeting dated September 01, 2017 and vide AGM dated September 30, 2017 for a period of 5 years w.e.f September 01, 2017 to August 31, 2022.

(ii) Further appointed as Whole-time Director vide Board Meeting dated September 01, 2017 and vide AGM

dated September 30, 2017 for a period of 5 years w.e.f September 01, 2017 to August 31, 2022.

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Nikul Jagdishchandra Patel, Chairman and Managing Director, Age: 37Years

Mr. Nikul Jagdishchandra Patel aged 37 years, is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of Bachelor of Engineering in Civil from Gujarat University. He was associated with Company as Director since Incorporation i.e. 13/08/2010 and further designated as the Chairman and Managing Director of the Company on September 01, 2017 for a period of 5 years. He is actively engaged in managing the company since incorporation. He has more than 7 years of experience in the industry in which the company is presently engaged and also have more than 6 years of experience in other business. He is instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Ravi Hemantkumar Patel, Whole-time Director, Age: 40Years

Mr. Ravi Hemantkumar Patel aged 40 years, is the Executive Director of our Company. He holds a degree of Bachelor of Engineering in Computer Science from Florida Atlantic University. He was appointed as Executive Director on the Board on May 24th, 2011, further designated as Whole-time Director of the Company on September 01, 2017 for a period of 5 years. He is entrusted with the responsibility to look after the HRD and Production of our Company. He is young and dynamic person and has more than 6 years of experience in the industry in which the company is presently engaged and also has more than 7 years of experience in other business and he is presently looking into the HRD and production related matters of the Company.

3. Mrs. Foram Nikulbhai Patel, Non Executive Director, Age: 37years

Mrs. Foram Nikulbhai Patel aged 37 years is Non Executive Director of our Company and was originally appointed as Additional Non Executive Director on June 30, 2017 and later appointed as Non-Executive Director vide Extra-Ordinary General Meeting held on August 01, 2017. She holds a degree of Bachelor of Engineering in Civil from Gujarat University and is having 13 years of experience of general administration and management.

4. Mr. Umang Brijmohan Saraf, Independent Director, Age: 40years

Mr. Umang Brijmohan Saraf aged 40 years is an Independent Director of our Company. He is a Chartered Accountant by profession. He has been practising as a Chartered Accountant for more than 10 years. He has a vast knowledge in the field of Finance, Taxation, International Taxation, etc. He has been a part of the Managing Committee of various professional bodies.

5. Mr. Jayantilal Atmaram Patel, Independent Director, Age: 58years

Mr. Jayantilal Atmaram Patel aged 58 years is an Independent Director of our Company. He holds a Diploma in civil engineering from Gujarat University. He has a vast experience in Government Infrastructure projects of around 30 years.

6. Mr. Janak Natervlal Parikh, Independent Director, Age: 50years

Mr. Janak Natverlal Parikh aged 50 years is an Independent Director of our Company. He is having a post graduate degree of Master of Science in electronics from Gujarat University. He is a gold medalist in M.Sc. (Electronics). He is a Financial Advisor and has 22 years of financial industry's experience.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Information Memorandum, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filling of this Information Memorandum.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Nature of any family relationship between any of our Directors:

The Promoters of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr No	Name of the Director	Relationship with other director
1.	Mr. Nikul Jagdishchandra Patel	Spouse of Mrs. Foram Patel
2.	Mrs. Foram Nikulbhai Patel	Spouse of Mr. Nikul Jagdishchandra Patel
3.	Mr. Ravi Hemant Kumar Patel	Brother-in-law of Mr. Nikul Jagdishchandra Patel

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on August 01, 2017 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees Hundred Crore only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Nikul Jagdishchandra Patel	Mr. Ravi Hemantkumar Patel
Re-Appointment/Change in Designation	Resolution dated September 01, 2017	Resolution dated September 01, 2017
Designation	Chairman and Managing Director	Whole-time Director
Term of Appointment	5 years Not liable to Retire by Rotation	5 years liable to Retire by Rotation
Remuneration	Upto Rs 60,00,000/- p.a	Upto Rs 48,00,000/- p.a.
Remuneration paid for Year 2019-20	Rs. NIL	Rs. NIL

Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated September 01, 2017 for payment to all Non-executive Independent Directors for attending each such meeting of the Board or Committee thereof.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Nikul Jagdishchandra Patel	21,280	0.21%
2.	Mr. Ravi Hemantkumar Patel	1,781,185	17.35%
3.	Mrs. Foram Nikulbhai Patel	52,97,835	51.61%
4.	Mr. Umang Brijmohan Saraf	--	--
5.	Mr. Jayantilal Atmaram Patel	--	--
6.	Mr. Janak Natverlal Parikh	--	--
	Total	71,15,300	69.63%

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Managing Director of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/ paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of equity shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the Issue and also to the extent of any dividend payable to them and other distribution in respect of the said equity shares.

The Directors may also be regarded as interested in the equity shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/ or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the equity shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as directors, members, partners and promoters, pursuant to the Issue.

All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Director himself or other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except for, being Promoters and to the extent to remuneration received/ to be received, none of our Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Except as disclosed above and in the chapters titled —Our Business and —Financial Information of the Company Related Party Transactions of this Information Memorandum, our Directors do not have any interest in any property acquired two years prior to the date of this Information Memorandum.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Nikul Jagdischandra Patel	Re-designate/appointed as Chairman and Managing Director vide Board Meeting dated September 01, 2017 and vide AGM	To ensure better Corporate Governance

		dated September 30, 2017	
2.	Mr. Ravi Hemantkumar Patel	Re-designate/appointed as Whole-time Director vide Board Meeting dated September 01, 2017 and vide AGM dated September 30, 2017	To ensure better Corporate Governance
3.	Mrs. Foram Nikulbhai Patel	Appointed as Additional Non-Executive Director vide Board Meeting dated June 30, 2017 Appointed as Non-Executive Director vide EGM dated August 01, 2017	To ensure better Corporate Governance
4.	Mr. Ketan Jagdishchandra Patel	Appointed as an Additional Executive Director vide Board Meeting dated July 19, 2016 and Regularised as Executive Director vide Annual General Meeting dated September 30, 2016 Resignation from the Directorship of the Company w.e.f. 30/06/2017	To ensure better Corporate Governance Due to his personal grounds
5.	Mr. Mohan Devumal Motiani	Appointed as an Additional Non-Executive Director vide Board Meeting dated July 19, 2016 Resignation from the Directorship of the Company w.e.f. 30/06/2017	To ensure better Corporate Governance Due to his personal grounds
6.	Mr. Kamal Ghanshyambhai Patel	Appointed as an Additional Non-Executive Director vide Board Meeting dated July 19, 2016 Resignation from the Directorship of the Company w.e.f. 30/06/2017	To ensure better Corporate Governance Due to his personal grounds
7.	Mr. Vivek Chetan Kapasi	Resignation from the Directorship of the Company w.e.f. December 03, 2015	Due to pre-occupancy elsewhere
	Mr. Mahendrabhai Gulabdas Patel	Appointed as an Additional Non-Executive Director vide Board Meeting dated March 07, 2017	To ensure better Corporate Governance

		Resignation from the Directorship of the Company w.e.f. May 12, 2017	Due to his personal grounds
8.	Mr. Umang Brijmohan Saraf	Appointed as an Additional Independent Director vide Board Meeting dated June 30, 2018.	To ensure better Corporate Governance
		Appointed & regularized as Independent Director in AGM Dated August 30, 2018	
9.	Mr. Jayantilal Atmaram Patel	Appointed as an Additional Independent Director vide Board Meeting dated June 30, 2018	To ensure better Corporate Governance
		Appointed & regularized as Independent Director in AGM Dated August 30, 2018	
10.	Mr. Janak Natverlal Parikh	Appointed as an Additional Independent Director vide Board Meeting dated June 30, 2018	To ensure better Corporate Governance
		Appointed & regularized as Independent Director in AGM Dated August 30, 2018	

COMPLIANCE WITH CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. Further, our Company undertakes to comply with all the necessary requirements relating to Corporate Governance as prescribed under Companies Act, 2013 and SEBI Regulations.

In addition to the applicable provision of the Companies Act, 2013 with respect to corporate governance, the provisions of the SEBI(LODR) Regulations, 2015 will be not be applicable to our Company upon the listing of the Equity Shares on SME Platform of NSE and is exempted follow corporate governance norms of SEBI (LODR), Regulations, 2015.

However, our Company is in compliance with the corporate governance code in accordance with Companies Act, 2013, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Remuneration and Shareholder/ Investors Grievance Committee. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

Composition of Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in accordance with Companies Act, 2013. Our Board has six Directors, comprising of one Managing Director, one Executive Director, one Non-Executive Director and three Independent Directors.

In terms of Companies Act, 2013, our Company has constituted the following Committees of the Board:

- 1) Audit Committee;

- 2) Nomination and Remuneration Committee;
- 3) Shareholders/ Investors Grievance Committee;and
- 4) Internal Complaints Committee.

Audit Committee

The Audit Committee was constituted *vide* Board resolution dated June 30, 2018. As on the date of this Information Memorandum the Audit Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Umang Brijmohan Saraf	Chairman	Independent Director
Mr. Janak Natverlal Parikh	Member	Independent Director
Mr. Nikul Jagdishandra Patel	Member	Chairman & Managing Director

Our Company Secretary, Ms. Khushboo Parikh is the secretary of the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013.

Nomination and Remuneration Committee

The constitution of the Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on June 30, 2018.

As on the date of this Information Memorandum the Remuneration Committee consists of the following Directors:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Janak Natverlal Parikh	Chairman	Independent Director
Mr. Jayantilal Atmaram Patel	Member	Independent Director
Mr. Umang Brijmohan Saraf	Member	Independent Director

Our Company Secretary, Ms. Khushboo Parikh is the secretary of the Nomination and Remuneration Committee.

Shareholders/ Investors Grievance Committee

The Shareholders/ Investors Grievance Committee have been formed by the Board of Directors at the meeting held on June 30, 2018.

As on the date of this Information Memorandum the Shareholders/ Investors Grievance Committee consists of the following

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Jayantilal Atmaram Patel	Chairman	Independent Director
Mr. Janak Natverlal Parikh	Member	Independent Director
Mr. Ravi Hemantkumar Patel	Member	Whole Time Director

Our Company Secretary, Ms. Khushboo Parikh is the secretary of the Shareholders/ Investors Grievance Committee.

Internal Complaints Committee:

The Internal Complaints Committee has been formed by the Board of Directors at the meeting held on June 30, 2018 in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

As on the date of this Information Memorandum the Internal Complaints Committee consists of the following:

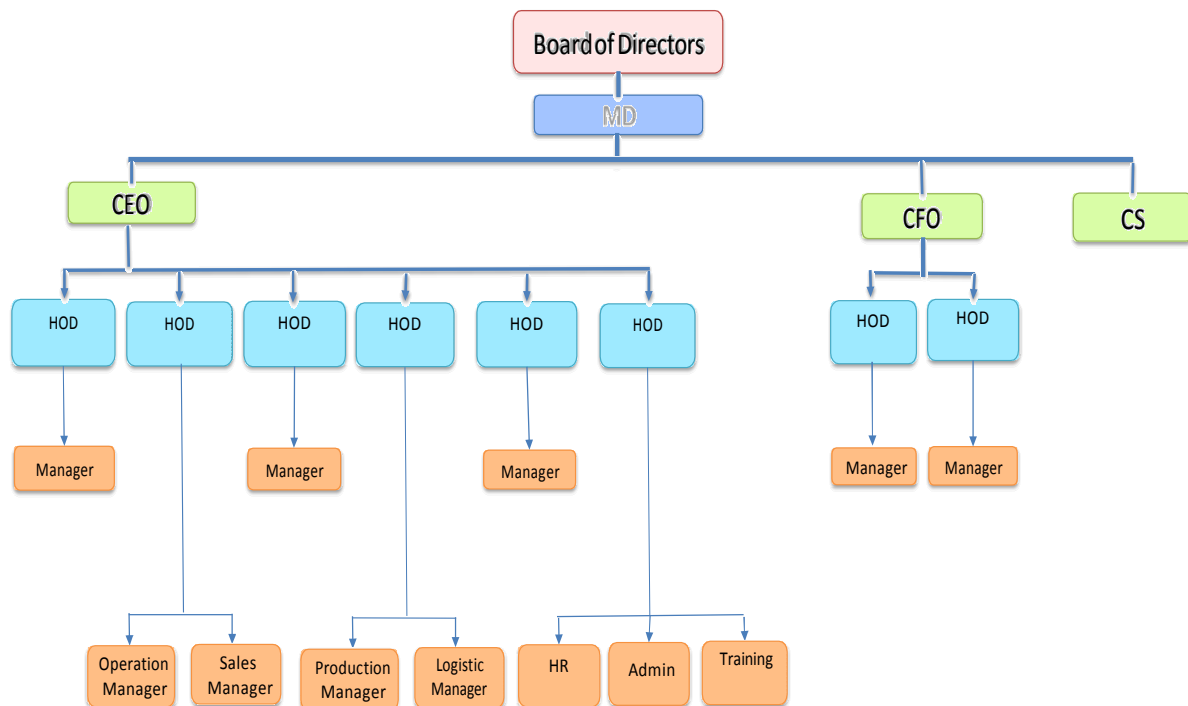
Name of the Director	Designation in the Committee
Mrs. Foram Nikul Patel	Presiding Officer
Mrs. Dhara Jagdishchandra Patel	Member
Mrs. Disha Patel	Member
Mr. Ketan Jagdishchandra Patel	Member

Our Company Secretary, Ms. Khushboo Parikh is the secretary of the Internal Complaints Committee.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchanges. Our Company Secretary, Ms. Khushboo Parikh, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of price sensitive information and in the implementation of the code of conduct under the overall supervision of the Board.

MANAGEMENT ORGANISATION STRUCTURE



OUR KEY MANAGERIAL PERSONNEL

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	(in Rs Lacs)	Over all experience	Previous employment
Name: Mr. Nikul Jagdishchandra Patel Designation: Chairman and Managing Director Qualification: Bachelor of Engineering (Civil)	37	Chairman and Managing Director w.e.f September 01, 2017	60	13 years	M/s Bhailalbhai A Patel (Firm)

Name: Mr. Ravi Hemantkumar Patel	40	Whole-time	48	13 years	M/s
Designation: Whole time Director Qualification: Bachelor of Science (Computer Science)		Director w.e.f. September 01, 2017			Bhailalbhai A Patel (Firm)
Name: Mr. Ketan Jagdishchandra Patel Designation: Chief Financial Officer Qualification: Bachelor of Commerce	43	Appoint as Chief Financial Officer (CFO) w.e.f. September 01, 2017	4.56	17 years	M/s Bhailalbhai A Patel (Firm)
Name: Ms Khushboo Parikh Designation: Company Secretary & Compliance Officer Qualification: Company Secretary	23	Appoint Company Secretary & Co compliance Officer w.e.f. August 11, 2020	3.2	1 year	Gokul Agro Resources Limited

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. Mr. Nikul Jagdishchandra Patel, Chairman and Managing Director, Age: 37Years

Mr. Nikul Jagdishchandra Patel aged 37 years, is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of Bachelor of Engineering in Civil from Gujarat University. He was associated with Company as Director since Incorporation i.e. 13/08/2010 and further designated as the Chairman and Managing Director of the Company on September 01, 2017 for a period of 5 years. He is actively engaged in managing the company since incorporation. He has more than 7 years of experience in the industry in which the company is presently engaged and also have more than 6 years of experience in other business. He is instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Ravi Hemantkumar Patel, Whole-time Director, Age: 40Years

Mr. Ravi Hemantkumar Patel is the Executive Director of our Company. He holds a degree of Bachelor of Engineering in Computer Science from Florida Atlantic University. He was appointed as Executive Director on the Board on May 24th, 2011, further designated as Whole-time Director of the Company on September 01, 2017 for a period of 5 years. He is entrusted with the responsibility to look after the HRD and Production of our Company. He is young and dynamic person and has more than 6 years of experience in the industry in which the company is presently engaged and also has more than 7 years of experience in other business and he is presently looking into the HRD and production related matters of the Company.

3. Mr. Ketan Jagdishchandra Patel, Chief Financial Officer, Age: 43Years

Mr. Ketan Jagdishchandra Patel is Chief Financial Officer of our Company He holds a degree of Bachelor of

DANGEE DUMS LIMITED

Commerce and he has an overall experience of 17 years. He looks after the Accounts and Financial matters of our Company.

4. Ms. Khushboo Parikh , Company Secretary & Compliance Officer, Age: 23Years

Ms. Khushboo Parikh is Company Secretary and Compliance officer of our Company. She holds a Company Secretary degree from the Institute of Company Secretaries of India, Bachelors and Masters in Commerce. She has an overall experience of one year. She looks after the secretarial matters of our Company. She joined our Company on August 11, 2020.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Mr. Ravi Hemantkumar Patel being brother-in-law of Mr. Nikul Jagdishchandra Patel none of the other Key Managerial persons stated above are related to each other.

We confirm that:

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. 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.
- c. None of our KMPs except Mr. Nikul Jagdishchandra Patel and Mr. Ravi Hemantkumar Patel, are also part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended March, 2020
- e. 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 Company.
- f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Information Memorandum except as under:

Sr. No.	Director	Shareholding	In %
1.	Mr. Nikul Jagdishchandra Patel	21,280	0.21%
2.	Mr. Ravi Hemantkumar Patel	17,81,185	17.35%

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

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its

employees including amounts towards super annuation, ex-gratia/rewards.

Changes in the Key managerial Personnel in last three years:

There have been changes in the Key Managerial Personnel of our Company during the last three year except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Nikul Jagdishchandra Patel	Chairman & Managing Director	September 01, 2017	Change inDesignation
2.	Mr. Ravi Hemantkumar Patel	Whole-time Director	September 01, 2017	Change inDesignation
3.	Mr. Ketan Jagdishchandra Patel	Chief Financial Officer	September 01, 2017	Appointment
4.	Mr. Mohan Devumal Motiani	Chief Executive Officer	September 01, 2017	Cessation
5.	Mr. Shyamsunder panchal	Company Secretary	July 14, 2020	Cessation
6	Ms. Khushboo Parikh	Company Secretary	August 11, 2020	Appointment

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Except as disclosed above and in the chapters titled Our Business and Financial Information of the Company

– Related Party Transactions of this Information Memorandum, our Directors do not have any interest in any property acquired two years prior to the date of this Information Memorandum.

None of our key managerial personnel has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business.

Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to —Annexure R Statement of Related Party Transaction and Personal

Guarantee towards Financial facilities of our Company please refer to —Statement of Financial Indebtedness of the Information Memorandum.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Information Memorandum, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES

The details about our employees appear under the Paragraph titled —Human Resource in Chapter Titled —Our Business of this Information Memorandum.

OUR PROMOTERS

Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel are the Promoters of our Company. As on the date of this Information Memorandum, Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel holds along with our promoter group holds 71,15,300 Equity Shares which in aggregate, constitutes 69.63% of the issued and paid-up Equity Share capital of our Company. Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoters:-

Mr. Nikul Jagdishchandra Patel, Chairman & Managing Director	
Qualification	Bachelor of Engineering (Civil)
Age	34 Years
Address	11 Manichandra Co. Op. Hsg Soc, Part 3, Nr. Surdhara Circle, Thaltej Ahmedabad - 380054 Gujarat, India
Experience	13 years
Occupation	Business
Permanent Account Number	AHKPP5769Q
Passport Number	J0750079
Driving License Number	GJ01-176076-03
Aadhar Card Number	916790206773
No. of Equity Shares held in DDL [% of Shareholding (Pre Issue)]	21,280 Equity Shares of Rs.10.00 each; 0.21% of Post- Issue Paid up capital
DIN	01339858

	Other Interests	Directorships in other Companies: 1) Nirman Infracon Private Limited 2) Zipbooks Software Solutions Private Limited LLP: 1) Viral Gruh NirmanLLP 2) Avichal ProjectsLLP Partnership Firms:- 1) Bhailalbhai APatel 2) NAL Projects Proprietorship:- 1.BharatInfrastructure HUF:- Nikul J. Patel HUF Trust:- Nil
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	Mrs. Foram Nikul Patel	
	Qualification	Bachelor of Engineering (Civil)
	Age	33Years
	Address	11 Manichandra Co. Op. Hsg Soc, Part 3, Nr. Surdhara Circle, Thaltej Ahmedabad - 380054 Gujarat, India
	Experience	13 years
	Occupation	Business
	Permanent Account Number	ARPPP3587K
	Passport Number	F7215238
	Driving License Number	GJ01/067093/02
	Aadhar Card Number	320076415720
	No. of Equity Shares held in DDL [% of Shareholding (Pre Issue)]	52,97,835 Equity Shares of Rs.10 each; 51.61% of Post- Issue Paid up capital
	DIN	02017816

	Other Interests	Directorships in other Companies: NIL LLP: NIL Partnership Firms:- NIL Proprietorship:- Nil HUF:- NIL Trust:- NIL
	Mr. Ravi Hemantkumar Patel	
	Qualification	Bachelor of Science (Computer Science)
	Age	37 Years
	Address	78, Kalhar Exotica Near Science City, Sola Ahmedabad 380060 Gujarat, India
	Experience	13 years
	Occupation	Business
	Permanent Account Number	ANHPP7203N
	Passport Number	A2442263
	Driving License Number	GJ01 20020932748
	Aadhar Card Number	224042962170
	No. of Equity Shares held in DDL [% of Shareholding (Pre Issue)]	17,81,185 Equity Shares of Rs.10 each; 17.35% of Post- Issue Paid up capital
	DIN	02017962
	Other Interests	Directorships in other Companies: NIL LLP: NIL Partnership Firms:- NIL Proprietorship:- NIL HUF:- NIL Trust:- NIL

Present Promoters of Our Company are Mr. Nikul Jagdishchandra Patel, Mrs. Foram Nikul Patel and Mr. Ravi Hemantkumar Patel. However the original subscribers to the Memorandum and Articles of Our Company was

Mr. Mrudang Darshan Jambusaria and M/s Nirman Infracon Private Limited through its authorized nominee Mr. Nikul Jagdishchandra Patel. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our Promoter under chapter “Capital Structure “beginning on page no 74 of the Information Memorandum.

Other Declaration and Confirmations

Our Promoters and Promoter Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Further, our Promoters have not been identified as a willful defaulter by RBI or any other Government authority and there are no violations of securities laws committed by the Promoters in the past or any such proceedings are pending against the Promoters.

Payment or Benefit to Promoters of Our Company

No payment has been made or benefit given to our Promoters in the two years preceding the date of the Information Memorandum or is intended to be given by us except mentioned / referred to in this Chapter under Related Party Transactions, under the Chapter —Financial Information of our company of the Information Memorandum.

Common Pursuits/ Conflict of Interest

Our Promoters have promoted our Group entities i.e. 1) Nirman Infracon Private Limited, being company, established with different objective. For details please refer to chapter titled —Our Promoters Group Companies of this Information Memorandum.

Further, our promoters have established the following Limited Liability Partnership- 1) Viral Gruh Nirman LLP and 2) Avichal Projects LLP being entity, established with different objective.

Further, our promoters have established the following HUF- 1) Nikul Jagdishchandra HUF being entity, established with different objective.

Immediate relatives of our Promoters have also established the following HUF i.e. 1) Jagdishchandra HUF; being entity, established with different objective.

Further, our promoters have established the following Sole proprietor firms- 1) Bharat Infrastructure being entity, established with different objective.

Further, our promoters have established the following Partnership firms- 1) NAL Projects and 2) M/S Bhailalbhai A. Patel; being entity, established with different objective.

Immediate relatives of our Promoters have also established the following Partnership firms i.e. 1) M/S B.A. Patel Quarry Works; being company, established with different objective.

However, as on the date of this Information Memorandum, our Company has not signed any non-compete or any other agreement / document with any of above mentioned entities.

However, we cannot assure that the said entities will resume their operations nor we can assure that our Promoters who have common interest in such other entities will not favor the interests of the said entities over our interest which may adversely affect our business operations. For details of our Promoter Group and Group Company/entities, please refer to Section titled —***Our Promoter Group and Group Companies / Entities*** under

Related Party Transactions ,under the Chapter–*Financial Information of our company* of this Information Memorandum.

Interest in promotion of Our Company

The Promoters is interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in –Financial Statements and–Our Management–Interest of Directors and–Our Management–Interest of Key Managerial Personnel of this Information Memorandum, respectively.

Interest in the property of Our Company

Except as disclosed in the chapters titled "*Our Business*" and "*Restated Financial Statements – Related Party Transactions*" of this Information Memorandum, our Promoters do not have any interest in any property acquired two years prior to the date of this Information Memorandum. Further, our Promoters currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Interest as a creditor of Our Company

Except as stated in the *Annexure R: Statement of Related Parties' Transactions'*, our Company has not availed any loans from the Promoters of our Company as on the date of this Information Memorandum.

Interest as Director of our Company

Except as stated in *Annexure R: Statement of Related Parties' Transactions'* of this Information Memorandum, our Promoters/ Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Other Ventures of our Promoters

Except as disclosed in the chapter titled '*Promoters and Group Companies*' beginning of this Information Memorandum, there are no other ventures of our Promoters in which they have business interests/other interests.

Payment or benefit to Promoters

For details of payments or benefits paid to our Promoters ,please refer to the paragraph–*Compensation of our Managing Director* in the chapter titled *Our Management* of this Information Memorandum and as disclosed under *Annexure R: Statement of Related Parties' Transactions'* of the chapter titled–*Financial Statement* of this Information Memorandum, there has been no payment or benefit to Promoters of our Company.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to *Annexure R: Statement of Related Parties' Transactions'* of the chapter titled "*Financial Information*" of this Information Memorandum.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled —Outstanding Litigations of this Information Memorandum.

OUR PROMOTER GROUP AND GROUP COMPANIES /ENTITIES

In addition to the Promoter 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(zb) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoters, are as follows:

Relationship	Mr. Nikul Jagdishchandra Patel	Mrs. Foram Nikul Patel
Father	Mr. Jagdishchandra Patel	Mr. Chetanbhai H. Kapasi
Mother	Mrs. Daxaben J. Patel	Mrs. Kashmira C. Kapasi
Spouse	Mrs. Foram Patel	Mr. Nikul Jagdishchandra Patel
Brother	--	Mr. Vivek C. Kapasi
Sister	Ms. Dhara Jagdishchandra Patel	--
Son	Mr. Maahir N. Patel	Mr. Maahir N. Patel
Daughter	Ms. Rishika N. Patel	Ms. Rishika N. Patel
Daughter-in-law	--	--
Son-in-law	--	--
Sister-in-law	--	Ms. Dhara Jagdishchandra Patel
Brother-in-law	Mr. Vivek C. Kapasi Mr. Ravi Hemantkumar Patel	--

Relationship	Mr. Ravi Hemantkumar Patel
Father	Mr. Hemantkumar Patel
Mother	Mrs. Premilaben H. Patel
Spouse	Ms. Dhara Jagdishchandra Patel
Brother	Dr. Nishant H. Patel
Sister	--
Son	Jahan R. Patel
Daughter	Drisha R. Patel
Daughter-in-law	--
Son-in-law	--

Sister-in-law	--
Brother-in-law	Mr. Nikul Jagdishchandra Patel

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	<u>Companies:</u> 1. Nirman Infracon Private Limited 2. Zipbooks Software Solutions Private Limited <u>LLP:</u> 1. Viral Gruh Nirman LLP 2. Avichal Projects LLP
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	Proprietorship:- 1. Bharat Infrastructure Partnership Firms:- 1. Bhailal bhai A Patel 2. NAL Projects 3. B.A. Patel Quarry Works HUF:- 1. Jagdishchandra HUF 2. Nikul Jagdishchandra Patel HUF Trust:- 1. NIL

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, 2009 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 (including Subsidiary, Associate Companies) as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated February 26, 2018 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if Such company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Financial Statements.

Other entities forming part of Promoter Group:

- 1) Bharat Infrastructure
- 2) Bhailalbhai A Patel
- 3) NAL Projects
- 4) B.A. Patel Quarry Works
- 5) Jagishchandra HUF
- 6) Nikul Jagdishchandra Patel HUF

The following companies, are promoted by our Promoters/ Promoter Group (including companies under the same management pursuant to of the Companies Act, 2013) and thus, are our Group Companies as defined under Schedule VIII of the SEBI ICDR Regulations:

- 1) Nirman Infracon Private Limited
- 2) Zipbooks Software Solutions Private Limited
- 3) Viral Gruh Nirman LLP
- 4) Avichal Projects LLP

No equity shares of our above mentioned Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters, Promoter Group or the Group Companies has become sick Companies under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated against the Promoters or the Group Companies.

NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY**Common Pursuits/Conflict of Interest**

None of our Promoter /Group Companies /Entities have any common pursuits. For details please refer to chapter titled-*Our Promoters Group Companies* of this Information Memorandum.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to sales or purchases our Company and any of our Group entities, please refer to *Annexure R: Statement of Related Parties' Transactions* of the chapter titled *Financial Statements* of this Information Memorandum.

In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

Companies / Firms from which the Promoters have disassociated themselves in last 3 (three) years

Except as mentioned below,our Promoters have not disassociated themselves from any of the Companies,Firms or other entities during the last three years preceding the date of this Information Memorandum:-

Name of Company	Reason of Disassociation
Mr. Nikul Jagdichandra Patel	
Sanskriti Tools and Promotion Private Limited	Resignation from Directorship Mr. Nikul Jagdichandra Patel was appointed as Director in Sanskruti Tools and Promotion Private Limited on 15.04.2004 but due to preoccupation he has resigned from this company on 24.02.2018
Aromen Restaurants Private Limited	Resignation from Directorship Mr. Nikul Jagdishchandra Patel was appointed as Director in Aromen Restaurants Private Limited on 08.12.2016 but due to preoccupation he has resigned from this company on 22.02.2018
Mrs. Foram Nikul Patel	
NIL	
Mr. Ravi Hemantkumar Patel	
Aromen Restaurants Private Limited	Resignation from Directorship Mr. Ravi Hemantkumar Patel was appointed as Director in Aromen Restaurants Private Limited on 08.12.2016 but due to preoccupation he has resigned from this company on 22.02.2018

Further, none of the Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of the Group Companies during the five years preceding the date of this Information Memorandum.

In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the three years of the date of filing this Information Memorandum or proposed to be acquired by our Company.

Sick Companies/ Winding up

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

Litigation

For details relating to legal proceedings involving our Group Company/Entities, if any, please refer to the chapter titled '*Outstanding Litigations*' of this Information Memorandum.

Related business transactions within the Group Companies and its significance on the financial performance of Our Company

For details, please see the chapter titled —Financial Statements- Annexure R - Related Party Transaction of this Information Memorandum.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies/entities or person in control of our Company has been

- (i) Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- (ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Dangee Dums Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Dangee Dums Limited** (the 'Company') which comprise the Balance Sheet as at **31 March 2020**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2020 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further, described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. As described in Note 38 to the standalone annual Standalone Financial Statement, the extent to which the COVID-19 pandemic will impact the company's operations and financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the, financial statements of the current period. These matters were addressed in the context of our audit, of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion, on these matters.



6. We have determined that there are no key audit matters to be communicated in our report.

Information other than the Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and as may be legally advised.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with the accounting principles generally accepted in India specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
17. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss and the cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with accounting principles generally accepted in India specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";



J. T. SHAH & CO.

CHARTERED ACCOUNTANTS

- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending Litigation which would impact its Financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad
Date: 14/07/2020



For, J. T. Shah & Co.
Chartered Accountants,
[Firm Regd. No:- 109616W]
(Signature)
(A. R. Pandit)
Partner
[M. No. 127917]
UDIN: 20127917AAAACD5746

DANGEE DUMS LIMITED

ANNEXURE-A TO THE AUDITORS REPORT

Referred to in paragraph 16 of our Report of even date to the Members of **Dangee Dums Limited** for the year ended on **31st March, 2020**.

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification, physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As explained to us, the title deeds of all the immovable properties are held in the name of the Company.

2. In respect of Inventories :

As per the information and explanations given to us, inventories were physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such physical verification.

- 3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the Clauses (iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable.
- 4. In our opinion and according to information and explanations given to us, the Company has not granted any loan or made any investment or provided any guarantee or security to the parties covered under section 185 and 186. Therefore clauses (iv) of Companies (Auditor's Report) Order, 2016 is not applicable.
- 5. During the year, the Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company. Therefore clauses (v) of Companies (Auditor's Report) Order, 2016 is not applicable.
- 6. According to the information and explanations given to us, the Company is not required to maintain cost records as required by the central government under sub section (1) of section 148 of the Companies Act, 2013. Hence clause (vi) of the (Auditor's Report) Order, 2016 is not applicable.
- 7. **In respect of Statutory Dues :**
 - (a) According to the records of the Company, the Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including Value Added Tax, Tax Deducted at Source, Provident Fund, Employee State Insurance and other statutory dues with the appropriate authorities applicable to it except there was delay in payment of Goods & Service Tax & Professional Tax in certain cases. According to the



DANGEE DUMS LIMITED

information and explanations given to us, no undisputed amount payable in respect of statutory due were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, there are no dues of income tax, service tax, duty of customs, duty of excise, value added tax, central sales tax, Service Tax, Goods & Service Tax or cess which have not been deposited on account of disputes.
8. In our Opinion and according to the information and explanations given to us, there was a delay ranging up to 25 days in repayment of principal of Rs. 3,41,675/- & Interest of Rs. 40,681/- to banks & Financial Institution, which have been since paid during the year. The Company has no debenture holder borrowing during the year.
9. According to the information and explanations given to us, the Company has not raised any money by way of Public Issue during the year. According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the Company, hence, clause 3(xii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions entered by the Company with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and details thereof are properly disclosed in the financial statements as required by the applicable accounting standard.
14. In our opinion and according to the information and explanation given to us, no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review was made by the company and hence, clause (xiv) of the company's (Auditors' Report) Order, 2016 is not applicable.
15. The Company had not entered in to any non-cash transactions with the directors or persons connected with him during the year, hence section 192 of the Companies Act, 2013 is not applicable, hence clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.



DANGEE DUMS LIMITED

16. According to information and explanation given to us, the Company is not required to be registered u/s 45-IA of Reserve Bank of India Act, 1934, hence, clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.

Place: Ahmedabad

Date: 14/07/2020



For, J. T. Shah & Co.
Chartered Accountants,
[Firm Regd. No. 109616W]

(A. R. Pandit)

Partner

[M. No. 127917]

UDIN: 20127917AAAACD5746

DANGEE DUMS LIMITED

ANNEXURE-B TO THE AUDITORS REPORT

Referred to in paragraph 17 (f) to The Independent Auditor's Report of Even Date on the Financial Statements of Dangee Dums Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of DANGEE DUMS LIMITED ("the Company") as of 31st March 2020, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



DANGEE DUMS LIMITED

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad

Date: 14/07/2020



For, J. T. Shah & Co.
Chartered Accountants,
[Firm Regd. No. 109616W]

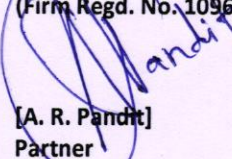
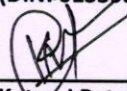
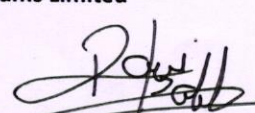
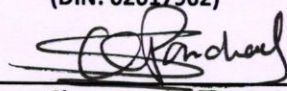
(A. R. Pandit)
Partner

[M. No. 127917]

UDIN: 20127917AAAACD5746

DANGEE DUMS LIMITED

Balance Sheet as at 31st March 2020

Particulars	Note No.	As at 31-March-2020 Rs.	As at 31-March-2019 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	10,26,50,000	10,26,50,000
(b) Reserves and surplus	3	22,98,88,120	24,25,82,284
		33,25,38,120	34,52,32,284
2 Non-current liabilities			
(a) Long Term Borrowings	4	8,72,74,931	10,47,07,373
(b) Other long term liabilities		Nil	Nil
		8,72,74,931	10,47,07,373
3 Current liabilities			
(a) Short-term borrowings	5	4,75,40,548	4,87,96,097
(b) Trade payables	6		
(i) Total outstanding dues to Micro, Small & Medium Enterprise		11,65,076	Nil
(ii) Total outstanding dues to other than Micro, Small & Medium Enterprise		82,14,082	72,48,964
(c) Short Term Provision	7	24,40,147	16,45,465
(d) Other current liabilities	8	3,84,13,954	3,42,56,034
		9,77,73,807	9,19,46,560
TOTAL		51,75,86,858	54,18,86,217
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets			
(i) Property, Plant and Equipments	9A	22,43,46,565	21,65,93,315
(ii) Intangible Assets	9B	49,88,069	44,92,065
(iii) Capital work-in-progress	9A	Nil	74,40,044
(b) Non-current investments	10	1,04,66,014	94,86,501
(c) Deferred tax assets (Net)	11	2,07,79,792	1,59,51,547
(d) Long Term Loans and Advances	12	16,06,29,652	15,32,73,401
		42,12,10,092	40,72,36,873
2 Current assets			
(a) Current investments	13	97,85,727	4,45,24,928
(b) Inventories	14	5,08,15,374	3,38,01,625
(c) Trade receivables	15	1,63,64,886	2,07,94,264
(d) Cash and bank balances	16	94,77,847	2,80,08,801
(e) Short-term loans and advances	17	99,32,931	75,19,725
(f) Other current assets		Nil	Nil
		9,63,76,766	13,46,49,344
TOTAL		51,75,86,858	54,18,86,217
Significant Accounting Policies attached	1		
Notes to Accounts	2 to 39		
As per our report of even date For, J.T. Shah & Co. Chartered Accountants (Firm Regd. No. 109616W)  [A. R. Pandit] Partner [M.No.127917] Udin 20127917AAAACD5746 Date: 14/07/2020 Place:- Ahmedabad  For and on behalf of the Board of Directors of Dangee Dums Limited  Nikul J. Patel Chairman & Managing Director (DIN: 01339658)  Ketan J. Patel Chief Financial officer Date:14/07/2020 Place:- Ahmedabad  Ravi H. Patel Wholtime Director (DIN: 02017962)  Shyamsundar Panchal Company Secretary & Compliance Officer			

DANGEE DUMS LIMITED

Statement of Profit and Loss for the year ended on 31st March 2020

Particulars	Note No.	For the year ended 31-March-2020 Rs.	For the year ended 31-March-2019 Rs.
Revenue from operations	18	35,34,88,753	38,31,94,190
		35,34,88,753	38,31,94,190
Other Income	19	1,18,09,564	98,22,569
Total Revenue		36,52,98,317	39,30,16,759
Expenses:			
Cost of material consumed	20	10,71,94,927	10,73,65,582
Purchase of Stock-in-Trade	21	1,71,82,342	1,19,76,705
Changes in the inventories of Finished Goods, Work In Progress and Stock-in-Trade	22	(1,12,29,129)	(22,83,019)
Employee benefits expense	23	7,48,47,325	6,71,39,550
Finance costs	24	1,67,29,774	2,41,71,648
Depreciation and amortization expense	25	4,64,53,070	5,24,51,656
Other expenses	26	13,16,42,417	11,72,05,423
Total expenses		38,28,20,726	37,80,27,545
Profit before tax		(1,75,22,409)	1,49,89,214
Tax expense:			
Current tax		Nil	Nil
Deferred tax Asset	11	48,28,245	64,93,680
Profit (Loss) for the year		(1,26,94,164)	2,14,82,894
Earnings per equity share:			
Basic and Diluted	33	(1.24)	2.35
Significant Accounting Policies attached	1		
Notes to Accounts	2 to 39		
As per our report of even date For, J.T. Shah & Co. Chartered Accountants (Firm Regd. No. 109616W) [A. R. Pandia] Partner [M.No. 127917] Udin 20127917AAAACD5746 Date: 14/07/2020 Place: Ahmedabad J. T. SHAH & CO. AHMEDABAD CHARTERED ACCOUNTANTS			
For and on behalf of the Board of Directors of Dangee Dums Limited Nikul J. Patel Chairman & Managing Director (DIN: 01339858) Ravi H. Patel Wholetime Director (DIN: 02017962) Ketan J Patel Chief Financial officer Shyamsundar Panchal Company Secretary & Compliance Officer Date: 14/07/2020 Place:- Ahmedabad			

DANGEE DUMS LIMITED

Statement of Cash Flow for the year ended on 31-03-2020

(Amount In Rs.)

		31-03-2020	31-03-2019
A	Cash from Operating Activity		
	Net Profit Before Tax from Continuing Operation	(1,75,22,409)	1,49,89,214
		(1,75,22,409)	1,49,89,214
	Non Cash Adjustment to reconcile profit before tax to net cash flows		
	Depreciation	4,64,53,070	5,24,51,656
	Provision for Bad Debts	(16,05,876)	Nil
	Loss on Discard of Property, Plant & Equipment	19,60,648	45,71,383
	Finance Cost	1,67,29,774	2,41,71,648
		6,35,37,616	8,11,94,687
	Dividend Income	(21,250)	(21,250)
	(Profit)/Loss on sale of Current Investments	(31,43,174)	(15,24,928)
	(Profit)/Loss on sale of Property, Plant & Equipment	Nil	Nil
	Interest Income	(86,45,140)	(82,24,055)
		(1,18,09,564)	(97,70,233)
	Adjustment for Movements in Working Capital:		
	Increase/(decrease) in Trade Payable	21,30,194	(26,24,686)
	Increase/(decrease) in Non Current Liability Provisions	Nil	Nil
	Increase/(decrease) in Non Current Liability	Nil	Nil
	Increase/(decrease) in Short term Provisions	7,94,682	5,40,044
	Increase/(decrease) in Other Current Liability	(14,69,550)	(16,99,617)
	Decrease/(increase) in Trade Receivable	60,35,254	2,07,28,517
	Decrease/(increase) in inventories	(1,70,13,749)	(90,24,946)
	Decrease/(increase) in Short term Loans and advances	(24,13,206)	(19,24,955)
	Decrease/(increase) in Long term Loans and advances	8,71,275	(2,58,60,854)
		(1,10,65,100)	(1,98,66,495)
	CASH GENERATED FROM OPERATIONS	2,31,40,543	6,65,47,172
	Direct Taxes paid	(7,65,304)	(7,29,086)
		(7,65,304)	(7,29,086)
	NET CASH FLOW FROM OPERATIONS	2,23,75,239	6,58,18,086
B	Cash flow from Investing activities		
	Purchase of Property, Plant & Equipment (Incl. WIP)	(4,64,13,914)	(6,81,75,166)
	Purchase of Non Current Investments	(9,79,513)	(93,03,996)
	Sale of Non Current Investments	Nil	Nil
	Sale of Current Investment	8,78,82,375	17,80,00,000
	Purchase of Current Investment	(5,00,00,000)	(22,10,00,000)
	Sale of Property, Plant & Equipment	4,62,920	Nil
	Fixed Deposit	(3,532)	(3,632)
	Interest Received	7,63,856	82,24,055
	Dividend Income	21,250	21,250
	NET CASH USED IN INVESTING ACTIVITY	(82,66,558)	(11,22,37,489)
C	Cash flow from Financing activities		
	Increase/(Decrease) in Short term Borrowing (Net)	(12,55,549)	(47,63,165)
	Issue of Share Capital	Nil	20,06,88,000
	Initial Public Offer Expense	Nil	(45,14,417)
	Finance cost	(1,59,89,057)	(2,47,06,848)
	Decrease in Long Term Borrowing (Net)	(1,53,98,561)	(11,44,59,999)
	NET CASH USED IN FINANCING ACTIVITY	(3,26,43,167)	5,22,43,571



DANGEE DUMS LIMITED

Net Increase/(Decrease) in cash and cash equivalents	(1,85,34,486)	58,24,168
Cash and cash equivalent Opening Balance	2,79,56,033	2,21,31,865
Cash and cash equivalent Closing Balance	94,21,547	2,79,56,033
Net Increase/(Decrease) in cash and cash equivalents	(1,85,34,486)	58,24,168

Notes:

=> The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 issued by Companies (Accounting Standard) Rules, 2008.

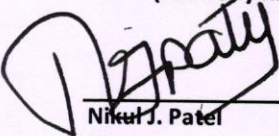
As per our report of even date

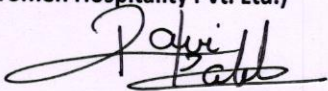
For J. T. Shah & Co
Chartered Accountants
(Firm Regd. No.109616W)

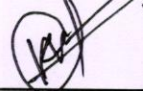
(A. R. Pandin)
Partner
(M.No. 127917)
Udin :20127917AAAACD5746
Place: Ahmedabad
Date: 14/07/2020

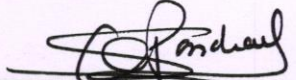


Dangee Dums Limited
(Formerly Known As Aromen Hospitality Pvt. Ltd.)


Nikul J. Patel
Director
(DIN: 01339858)


Ravi H. Patel
Director
(DIN: 02017962)


Ketan J. Patel
Chief Financial Officer
(DIN: 07408398)


Shyamsundar Panchal
Company Secretary &
Compliance Officer

Place : Ahmedabad
Date : 14/07/2020

1. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation of financial Statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

ii) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

iii) Cash flow statement

Cash flows are reported using the indirect method, whereby profits/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferral or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

iv) Property, Plant and Equipments

Property, Plant and Equipments are stated at historical cost less accumulated depreciation. Cost comprises purchase price, duties, levies and other directly attributable expenses of bringing the asset to its working condition for the intended use.

Cost of assets not put to use before the year-end are disclosed under capital work-in-progress.

Pre-Operative Expense and Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

When assets are retired from active use, the same are valued at lower of Net book value and Net realizable value.

When assets are disposed, their cost is removed from the financial statements. The gain or loss arising on the disposal of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss for the relevant financial year.

Depreciation on Property Plant and Equipments are provided using the Written Down Value Method based on Useful life specified under Schedule II to the Companies Act, 2013.



v) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.

Intangible Assets are amortized on the Straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use is considered by the management.

When assets are retires from active use, the same are valued at lower of Net book value and Net realizable value.

The gain or loss arising on the disposal of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the assets and is recognized as income or expense in the statement of profit and loss in the year of disposal.

When the assets are disposed of or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in statement of Profit and Loss for the relevant financial year

vi) Impairment of Assets

In accordance with accounting standard 28 on 'Impairment of assets', the Company assesses at each balance sheet date whether there is an indication that assets of the Company may be impaired. Where any such indication exists the company estimates the recoverable amount of the assets. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment charge is recognized whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.

vii) Inventories

Inventories are valued as under

Raw Material, Packing Material & Other Goods are valued at

Lower of cost and net realizable value. Inventories are not written down below cost if the related finished products are expected to be sold at or above cost. Cost is determined on First-In-First Out basis and includes all cost incurred in bringing the inventories to their present location and condition.

Finished goods & WIP are valued at

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost in respect of Finished Goods & Work-in-progress are computed on Weighted Average Basis Method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete, slow moving and defective inventories are identified and provision made wherever necessary.



DANGEE DUMS LIMITED

viii) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments.

Current investments are carried at lower of cost and net realizable value.

Long term investments are carried at cost less provision for diminution, other than temporary in the value of investment.

ix) Revenue Recognition

Revenue from sales of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer.

Interest on deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction based on reasonable certainty of receipt. Interest on advances is recognized when the ultimate collection is not uncertain.

Dividend income is recognized when the right to receive dividend is established.

x) Employee benefits

Post-employment Benefits:

(a) Defined Contribution Plans:

The company has Defined Contribution Plans for post-employment benefits, charged to Statement of Profit & Loss, in form of:

Provident Fund / Employee's Pension Fund/ Employee State Insurance administered by the Regional Provident Fund Commissioner/ Employee State Insurance Corporation.

(b) Defined Benefit Plans:

Unfunded Plan:

The Company has Unfunded Defined Benefit Plan for post-employment benefits in the form of Gratuity for all employees.

Liability for the above Defined Benefit Plans is provided on the basis of actuarial valuation, as at the balance sheet date, carried out by independent actuary. The actuarial method used for, measuring the liability is the Projected Unit Credit Method.

(c) Leave is to be availed/ encashed by employees in the same year and is not allowed to be carried forward.

(d) The actuarial gains and losses arising during the year are recognized in the Statement of Profit & Loss for the year.



DANGEE DUMS LIMITED

xi) Provision for Current Tax & Deferred Tax

Income tax expense comprises current tax expense and deferred tax expense/credit.

Current tax:

Provision for current tax is calculated in accordance with the provisions of the Income Tax Act, 1961 and is made annually based on the tax liability computed after considering tax allowances and exemptions.

Assets and liabilities representing current tax are disclosed on a net basis when there is a legally enforceable right to set off and where the management intends to settle the asset and liability on a net basis.

Deferred tax:

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

xii) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

xiii) Earning per Share

Basic earning per share is calculated by dividing net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of Equity Shares issued during the year.

Diluted earning per share is calculated by dividing net profit attributable to Equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

xiv) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.



DANGEE DUMS LIMITED

2 Share Capital

a. Details of Share Capital

Particulars	As at 31-March-2020		As at 31-March-2019	
	Number	Rs.	Number	Rs.
Authorized				
Equity share capital				
Equity share of Rs.10/- each	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
Issued, Subscribed & Paid up				
Equity share capital				
Equity share of Rs.10/- each fully paid up	1,02,65,000	10,26,50,000	1,02,65,000	10,26,50,000
Total	1,02,65,000	10,26,50,000	1,02,65,000	10,26,50,000

- b. The company has not issued any share by way of bonus or without payment being received in cash in pursuant to any contract during the period of last five years.
- c. The company has not bought back any share during the period of last five years.
- d. The company has only one class of equity share of Rs.10/- each. Each holder of equity share is entitled to one vote per share.
- e. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining asset of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.
- f. There are no shares issued pursuant to contract without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date.
- g. Reconciliation of No. of shares outstanding at the beginning and at the end of the year is as under:-

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
	(Nos)	(Nos)
Shares outstanding at the beginning of the period	1,02,65,000	75,53,000
Add: Shares issued during the year	Nil	27,12,000
Less: Shares reduced during the year	Nil	Nil
Total shares outstanding at the end of the period	1,02,65,000	1,02,65,000

- h. Share holding details of the company as at 31-March-2020 and 31-March-2019 and name of persons holding shares more than 5%:

Name of Shareholder	As at 31-March-2020		As at 31-March-2019	
	No of shares held	% of holding	No of shares held	% of holding
Foram N. Patel	52,97,835	51.61	52,97,835	51.61
Ravi H. Patel	17,81,185	17.35	17,16,385	16.72



DANGEE DUMS LIMITED

3	Reserves & Surplus			
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019	
		Rs.	Rs.	
	Securities premium			
	Balance as per last Financial Statement	29,38,53,583	12,48,00,000	
	Add: Share Premium during the year	Nil	17,35,68,000	
	Less: Initial Public Offer Expense	Nil	(45,14,417)	
	Closing Balance	29,38,53,583	29,38,53,583	
	Profit & Loss Surplus/(Deficit)			
	Opening balance	(5,12,71,299)	(7,27,54,193)	
Add: Net Profit For the year	(1,26,94,164)	2,14,82,894		
Net surplus/(deficit)	(6,39,65,464)	(5,12,71,299)		
Total		22,98,88,120	24,25,82,284	
4	Long-term borrowings			
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019	
		Rs.	Rs.	
	Secured Term Loans*			
	From Banks	9,88,21,518	10,97,02,384	
	Less : Current maturities [Note: 8(a)]	(1,45,65,097)	(1,19,32,926)	
		8,42,56,421	9,77,69,458	
	Vehicle Loans- Secured**			
	From Banks	51,24,415	78,11,578	
	From Financial Institutions	2,99,984	9,70,775	
	Less : Current maturities [Note: 8(a)]	(27,61,404)	(33,59,694)	
		26,62,995	54,22,659	
	Loans from Director & their relatives - Unsecured***			
	From Directors	2,29,426	2,29,426	
	From Others	1,26,089	12,85,830	
	Total		8,72,74,931	10,47,07,373
	Notes:-			
Security				
* The company has taken term loan from bank which is secured by mortgage of Residential Property registered in the name of Relative of Directors and personal guarantee of Director and their relatives.				
** Vehicle Loans are secured by Hypothecation of Vehicles				
Interest				
* The company has taken term loan from Bank carrying Interest I-MCLR-1Y+0.80% pa.				
** Vehicle Loans carry an interest rate ranging between 9.01% to 12% p.a.				
*** The company has borrowed funds from Directors bearing no interest and from their relative bearing interest rate 12% p.a.				
Repayment				
Term Loans are repayable in following monthly/Quarterly instalments as follows:-				
Particular	Upto 1 year	1 to 3 years	More than 3 years	
Term Loan	1,45,65,097	3,26,31,039	5,16,25,382	
Vehicle Loan	27,61,404	26,62,995	Nil	
Loan from Director & their relatives	Nil	Nil	3,55,515	



DANGEE DUMS LIMITED

5	Short-term borrowings		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Loans repayable on demand - Secured From banks	4,75,40,548	4,87,96,097
	Total	4,75,40,548	4,87,96,097
	Security: Loan repayable on demand includes the overdraft facility availed from banks. This facilities are primarily secured by Card Receivables, Fixed Assets, mortgage of Corporate house & Commercial property registered in the name of Director/Relative of Directors and personal guarantee of Director and their relatives.		
6	Trade Payables		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Trade Payables		
	(i) Total Outstanding dues to Micro enterprises and small Enterprises	11,65,076	Nil
	(ii) Total Outstanding dues to other than Micro enterprises and small Enterprises	82,14,082	72,48,964
	Total	93,79,158	72,48,964
	Note: Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors.		
7	Short Term Provision		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Short Term Provision		
	Provision for Gratuity	24,40,147	16,45,465
	Total	24,40,147	16,45,465
8	Other current liabilities		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Current Maturity of Long Term Debt		
	Secured Term Loan		
	From Banks	1,45,65,097	1,19,32,926
	Vehicle Loans		
	From Banks	24,61,420	26,89,140
	From Financial Institutions	2,99,984	6,70,554
		27,61,404	33,59,694
	Interest accrued but not Due	7,91,143	50,426
	Creditors for Expenses	57,38,431	55,84,787
	Creditors for Property, Plant and Equipment	61,43,167	32,90,295
	Employee Benefits Payable	55,53,176	60,61,417
	Statutory Liabilities	26,23,690	37,91,374
	Security deposits	2,20,000	67,535
	Advances from customers	17,847	1,17,580
	Total	3,84,13,954	3,42,56,034



DANGEE DUMS LIMITED

9A Property Plant and Equipments

Sr.	Particulars	Gross Block				Accumulated Depreciation				Net Block	Net Block
		As at 01-04-2019	Additions during the year	Deduction during the year	As at 31-03-2020	As at 01-04-2019	Depreciation charge for the year	Adj. during the year	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	Property Plant and Equipments										
	Office Building	9,25,94,209	2,78,47,345	25,62,022	11,78,79,531	1,90,26,494	1,11,72,519	15,20,656	2,86,78,356	8,92,01,175	7,35,67,715
	Plant & Equipments	9,17,23,826	1,78,19,459	Nil	10,95,43,285	4,04,68,158	96,82,844	Nil	5,01,51,003	5,93,92,282	5,12,55,668
	Office Equipments	26,71,494	11,98,018	Nil	38,69,512	15,07,379	7,79,634	Nil	22,87,013	15,82,499	11,64,115
	Computer	1,15,78,869	3,46,421	Nil	1,19,25,290	92,37,208	9,80,978	Nil	1,02,18,186	17,07,105	23,41,661
	Furniture	14,52,71,165	82,99,889	24,58,697	15,11,12,357	7,30,22,160	1,89,65,696	13,36,859	9,06,50,997	6,04,61,361	7,22,49,006
	Vehicle	3,77,28,924	Nil	9,73,848	3,67,55,076	2,17,13,773	37,52,642	7,13,483	2,47,52,933	1,20,02,143	1,60,15,150
	Total	38,15,68,487	5,55,11,132	59,94,567	43,10,85,052	16,49,75,172	4,53,34,314	35,70,999	20,67,38,487	22,43,46,565	21,65,93,315
	Amount at the end of previous year	32,66,66,676	6,16,30,918	67,29,107	38,15,68,487	11,57,48,551	5,13,84,345	21,57,724	16,49,75,172	21,65,93,315	21,09,18,125
b	Capital Work-in-Progress	74,40,044	Nil	74,40,044	Nil	Nil	Nil	Nil	Nil	Nil	74,40,044
	Total	74,40,044	Nil	74,40,044	Nil	Nil	Nil	Nil	Nil	Nil	74,40,044
	Amount at the end of previous year	27,91,319	74,40,044	27,91,319	74,40,044	Nil	Nil	Nil	Nil	74,40,044	27,91,319
	Grand Total	38,90,08,531	5,55,11,132	1,34,34,611	43,10,85,052	16,49,75,172	4,53,34,314	35,70,999	20,67,38,487	22,43,46,565	22,40,33,359
	Previous year amount	32,94,57,995	6,90,70,962	95,20,426	38,90,08,531	11,57,48,551	5,13,84,345	21,57,724	16,49,75,172	22,40,33,359	21,37,09,444

9B Intangible Assets

Sr.	Particulars	Gross Block				Accumulated Depreciation				Net Block	Net Block
		As at 01-04-2019	Additions during the year	Deduction during the year	As at 31-03-2020	As at 01-04-2019	Depreciation charge for the year	Adj. during the year	As at 31-03-2020	As at 31-03-2020	As at 31-03-2019
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	Intangible Assets										
	Computer software	76,91,670	16,14,760	Nil	93,06,430	31,99,605	11,18,756	Nil	43,18,361	49,88,069	44,92,065
	Total	76,91,670	16,14,760	Nil	93,06,430	31,99,605	11,18,756	Nil	43,18,361	49,88,069	44,92,065
	Amount at the end of previous year	70,59,270	6,32,400	Nil	76,91,670	21,32,294	10,67,311	Nil	31,99,605	44,92,065	49,26,976



DANGEE DUMS LIMITED

10	Non-current investments		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Investments in Equity Shares (Unquoted) [Non-Trade] 365 (Previous Year 365) shares of The United Co-Operative Bank Ltd. of Rs. 500 each	1,82,505	1,82,505
	Investments in Equity Shares (Quoted) [Non-Trade] 164000 (Previous Year 149000) shares of Sanginita Chemicals Ltd. of Rs.10/- each	1,02,83,509	93,03,996
	Total	1,04,66,014	94,86,501
	Aggregate amount of Quoted Investment	1,02,83,509	93,03,996
	Aggregate amount of Unquoted Investment	1,82,505	1,82,505
	Market value of Quoted Investments	1,20,95,000	95,36,000
11	Deferred Tax Assets/(Liabilities)		
	The policy statement of the company with respect to accounting of deferred tax assets / (liabilities) is disclosed at Note No. 1(Xi) of the Significant Accounting policies.		
	Details of the deferred tax assets/(liabilities)		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Deferred tax Assets/(Liability) Deferred Tax Asset arising out of timing difference relating to:- Difference of Depreciation as per Income Tax Act and Company law Amount Allowable under income Tax Act,1961 in Succeeding Year	1,85,68,166 22,11,626	1,53,99,548 5,51,999
	Net Deferred Tax Assets/(Liability)	2,07,79,792	1,59,51,547
12	Long-term loans and advances		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	Security Deposit		
	Unsecured Considered Good		
	Rent deposits	2,54,81,782	2,45,31,473
	Other Deposits	3,08,805	2,55,749
	Advance Tax and TDS	17,32,869	9,67,565
	Less : Provision for Taxation	Nil	Nil
		17,32,869	9,67,565
	Advance for Property, Plant & Equipment	1,95,09,952	1,99,29,014
	Loans and Advance to Other Parties	11,35,96,244	10,75,89,600
	Total	16,06,29,652	15,32,73,401



DANGEE DUMS LIMITED

13	Current investments		
	Particulars	As at 31-Mar-2020 Rs.	As at 31-Mar-2019 Rs.
	Investments in Mutual Fund		
	Nil (Previous Year 73918.889) units of ICICI Prudential Liquid Fund- Growth of Rs.10/- each	Nil	1,95,24,928
	Nil (Previous Year 729507.407) units of Franklin India Saving Fund Retail Option - Growth of Rs.10/- each	Nil	2,50,00,000
	Investments in Alternate Investment Fund		
	Aventus Absolute Return Fund Class A7	97,85,727	Nil
	Total	97,85,727	4,45,24,928
	Aggregate Cost of Mutual Fund	Nil	4,45,24,928
	NAV of Mutual Fund	Nil	4,54,09,855
	Aggregate Cost of Alternate Investment Fund	1,00,00,000	Nil
	NAV of Alternate Investment Fund	97,85,727	Nil
	Note: Out of the held as Current investment, Amount of Rs. 10,000,000/- (PY Rs.430,00,000/-) has been kept for the utilisation for the purpose as specified for Intial public Offer and same cannot be utilised for any other Purpose.		
14	Inventories		
	Particulars	As at 31-Mar-2020 Rs.	As at 31-Mar-2019 Rs.
	Raw material & Consumbale	2,61,72,375	2,14,71,225
	Consumable	31,92,604	21,09,133
	Work In Progress	88,43,617	29,36,624
	Finished goods	80,84,125	61,12,338
	Stock-in-Trade	45,22,654	11,72,305
	Total	5,08,15,374	3,38,01,625
15	Trade Receivables		
	Particulars	As at 31-Mar-2020 Rs.	As at 31-Mar-2019 Rs.
	Unsecured, considered good		
	Due for a period exceeding six months from the date they become due	1,71,56,010	7,83,434
	Due for a period less than six months from the date they become due	8,14,753	2,00,10,830
		1,79,70,762	2,07,94,264
	Less: Provision for Doubtful Debts	16,05,876	Nil
	Total	1,63,64,886	2,07,94,264
16	Cash and Bank Balances		
	Particulars	As at 31-Mar-2020 Rs.	As at 31-Mar-2019 Rs.
	(I) Cash and Cash equivalents		
	(a) Cash on hand	51,48,379	20,81,994
	(b) Balance in bank current account	42,73,169	2,58,74,040
	Deposits having original maturity less than 3 months	Nil	Nil
	(II) Other bank balances		
	Deposits with banks		
	Deposits having original maturity date more than 3 months but less than 12 monhts	56,300	52,768
	Total	94,77,847	2,80,08,801



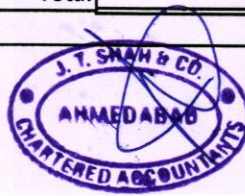
DANGEE DUMS LIMITED

17	Short-term loans and advances		
	Particulars	As at 31-Mar-2020	As at 31-Mar-2019
		Rs.	Rs.
	(Unsecured, considered good)		
	Balances with government authorities	10,19,281	Nil
	Prepaid Expenses	24,24,408	28,02,267
	Advance recoverable in Cash or Kind	61,89,481	46,31,436
	Advance to Suppliers	2,99,762	86,022
	Total	99,32,931	75,19,725



DANGEE DUMS LIMITED

18	Revenue from operations		
	The policy statement of the company with respect to recognition of Revenue is disclosed in Significant Accounting policy No. IX		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Sale of products	35,34,88,753	38,31,94,190
	Other operating revenues	Nil	Nil
	Net total sales	35,34,88,753	38,31,94,190
19	Other Incomes		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Other incomes		
	Dividend income	21,250	21,250
	Interest income	86,45,140	82,24,055
	Net gain/(loss) on sale of current investments	31,43,174	15,24,928
	Other Miscellaneous Income	Nil	52,336
	Total	1,18,09,564	98,22,569
20	Cost of material consumed		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Stock of material at the beginning of the year	2,14,71,225	1,54,34,199
	Add: Purchase of material during the year	11,18,96,076	11,34,02,608
		13,33,67,301	12,88,36,807
	Less: Stock of material at the end of the year	2,61,72,375	2,14,71,225
	Total	10,71,94,927	10,73,65,582
21	Purchase of Stock-in-Trade		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Purchase of Stock-in-Trade	1,71,82,342	1,19,76,705
	Total	1,71,82,342	1,19,76,705
22	Changes in the inventories of Finished Goods, Work In Progress and Stock-in-Trade		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Stock at the beginning of the year		
	Finished goods	61,12,338	33,23,517
	Work In Progress	29,36,624	9,46,000
	Stock-in-trade	11,72,305	36,68,731
		1,02,21,267	79,38,248
	Stock at the end of the year		
	Finished goods	80,84,125	61,12,338
	Work In Progress	88,43,617	29,36,624
	Stock-in-trade	45,22,654	11,72,305
		2,14,50,396	1,02,21,267
	Total	(1,12,29,129)	(22,83,019)



DANGEE DUMS LIMITED

23	Employee benefit expenses The policy statement of the company with respect to accounting of Employees' Benefit is disclosed in Significant Accounting policy No.X.																																									
	<table><tr><th rowspan="2">Particulars</th><th>For the year ended 31-March-2020</th><th>For the year ended 31-March-2019</th></tr><tr><th>Rs.</th><th>Rs.</th></tr><tr><td>Salaries Expenses</td><td>6,87,34,842</td><td>6,15,91,381</td></tr><tr><td>Contribution to provident and other funds</td><td>39,74,997</td><td>41,10,978</td></tr><tr><td>Staff welfare expenses</td><td>21,37,486</td><td>14,37,191</td></tr><tr><td>Total</td><td>7,48,47,325</td><td>6,71,39,550</td></tr></table>	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019	Rs.	Rs.	Salaries Expenses	6,87,34,842	6,15,91,381	Contribution to provident and other funds	39,74,997	41,10,978	Staff welfare expenses	21,37,486	14,37,191	Total	7,48,47,325	6,71,39,550																								
Particulars	For the year ended 31-March-2020		For the year ended 31-March-2019																																							
	Rs.	Rs.																																								
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Total	7,48,47,325	6,71,39,550																																								
	As per revised Accounting Standard 15 "Employees Benefits", the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2020.																																									
	1. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognized in the Balance Sheet as follows:																																									
	<table><tr><th rowspan="2">Particulars</th><th>2019-20</th><th>2018-19</th></tr><tr><th>Rs.</th><th>Rs.</th></tr><tr><td>Present Value of Funded Obligations</td><td>Nil</td><td>Nil</td></tr><tr><td>Fair value of plan assets</td><td>Nil</td><td>Nil</td></tr><tr><td>Present value of unfunded obligations</td><td>24,40,147</td><td>17,01,694</td></tr><tr><td>Unrecognized past service cost</td><td>Nil</td><td>(56,229)</td></tr><tr><td>Net liability/(Asset)</td><td>24,40,147</td><td>16,45,465</td></tr><tr><td>Amounts in the balance sheet:</td><td></td><td></td></tr><tr><td> Liabilities</td><td>24,40,147</td><td>16,45,465</td></tr><tr><td> Assets</td><td>Nil</td><td>Nil</td></tr><tr><td>Net liability/(Asset)</td><td>24,40,147</td><td>16,45,465</td></tr></table>	Particulars	2019-20	2018-19	Rs.	Rs.	Present Value of Funded Obligations	Nil	Nil	Fair value of plan assets	Nil	Nil	Present value of unfunded obligations	24,40,147	17,01,694	Unrecognized past service cost	Nil	(56,229)	Net liability/(Asset)	24,40,147	16,45,465	Amounts in the balance sheet:			Liabilities	24,40,147	16,45,465	Assets	Nil	Nil	Net liability/(Asset)	24,40,147	16,45,465									
Particulars	2019-20		2018-19																																							
	Rs.	Rs.																																								
Present Value of Funded Obligations	Nil	Nil																																								
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	2. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognized in the Profit and Loss as follows:																																									
	<table><tr><th rowspan="2">Particulars</th><th>2019-20</th><th>2018-19</th></tr><tr><th>Rs.</th><th>Rs.</th></tr><tr><td>Current service cost</td><td>12,53,459</td><td>10,06,747</td></tr><tr><td>Interest on obligation</td><td>1,29,758</td><td>89,919</td></tr><tr><td>Expected return on plan assets</td><td>Nil</td><td>Nil</td></tr><tr><td>Net actuarial losses/(gains)</td><td>(6,44,764)</td><td>(5,75,365)</td></tr><tr><td>Past service cost</td><td>56,229</td><td>18,743</td></tr><tr><td>Adjustment to opening balance</td><td>Nil</td><td>Nil</td></tr><tr><td>Losses / (Gains) on curtailments and settlement</td><td>Nil</td><td>Nil</td></tr><tr><td>Total included in 'Employee Benefit Expense'</td><td>7,94,682</td><td>5,40,044</td></tr></table>	Particulars	2019-20	2018-19	Rs.	Rs.	Current service cost	12,53,459	10,06,747	Interest on obligation	1,29,758	89,919	Expected return on plan assets	Nil	Nil	Net actuarial losses/(gains)	(6,44,764)	(5,75,365)	Past service cost	56,229	18,743	Adjustment to opening balance	Nil	Nil	Losses / (Gains) on curtailments and settlement	Nil	Nil	Total included in 'Employee Benefit Expense'	7,94,682	5,40,044												
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Adjustment to opening balance	Nil	Nil																																								
Losses / (Gains) on curtailments and settlement	Nil	Nil																																								
Total included in 'Employee Benefit Expense'	7,94,682	5,40,044																																								
	3.Details of changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof in respect of Gratuity are as follows:																																									
	<table><tr><th rowspan="2">Particulars</th><th>2019-20</th><th>2018-19</th></tr><tr><th>Rs.</th><th>Rs.</th></tr><tr><td>Opening Defined Benefit Obligation</td><td>17,01,694</td><td>11,80,393</td></tr><tr><td>Service cost</td><td>12,53,459</td><td>10,06,747</td></tr><tr><td>Interest cost</td><td>1,29,758</td><td>89,919</td></tr><tr><td>Actuarial losses (gains)</td><td>(6,44,764)</td><td>(5,75,365)</td></tr><tr><td>Past service cost</td><td>Nil</td><td>Nil</td></tr><tr><td>Losses (gains) on curtailments</td><td>Nil</td><td>Nil</td></tr><tr><td>Liabilities extinguished on settlements</td><td>Nil</td><td>Nil</td></tr><tr><td>Liabilities assumed in an amalgamation in the nature of Purchase</td><td>Nil</td><td>Nil</td></tr><tr><td>Exchange differences on foreign plans</td><td>Nil</td><td>Nil</td></tr><tr><td>Benefits paid</td><td>Nil</td><td>Nil</td></tr><tr><td>Prior Period Change</td><td>Nil</td><td>Nil</td></tr><tr><td>Closing defined benefit obligation</td><td>24,40,147</td><td>17,01,694</td></tr></table>	Particulars	2019-20	2018-19	Rs.	Rs.	Opening Defined Benefit Obligation	17,01,694	11,80,393	Service cost	12,53,459	10,06,747	Interest cost	1,29,758	89,919	Actuarial losses (gains)	(6,44,764)	(5,75,365)	Past service cost	Nil	Nil	Losses (gains) on curtailments	Nil	Nil	Liabilities extinguished on settlements	Nil	Nil	Liabilities assumed in an amalgamation in the nature of Purchase	Nil	Nil	Exchange differences on foreign plans	Nil	Nil	Benefits paid	Nil	Nil	Prior Period Change	Nil	Nil	Closing defined benefit obligation	24,40,147	17,01,694
Particulars	2019-20		2018-19																																							
	Rs.	Rs.																																								
Opening Defined Benefit Obligation	17,01,694	11,80,393																																								
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Benefits paid	Nil	Nil																																								
Prior Period Change	Nil	Nil																																								
Closing defined benefit obligation	24,40,147	17,01,694																																								



DANGEE DUMS LIMITED

4. Details of changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof in respect of gratuity are as follows:

Particulars	2019-20	2018-19
	Rs.	Rs.
Opening fair value of plan assets	Nil	Nil
Expenses deducted from fund	Nil	Nil
Expected return	Nil	Nil
Actuarial gain and (loss)	Nil	Nil
Assets distributed on settlements	Nil	Nil
Contributions by employer	Nil	Nil
Assets acquired in an amalgamation in the nature of purchase	Nil	Nil
Exchange differences on foreign plans	Nil	Nil
Benefits paid	Nil	Nil
Closing fair value of plan assets	Nil	Nil

5. Details of the major categories of plan assets as a percentage of total plan assets in respect of Gratuity are as follows:

Particulars	2019-20	2018-19
	Rs.	Rs.
Government of India Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Policy of insurance	0%	0%
Bank Balance	0%	0%

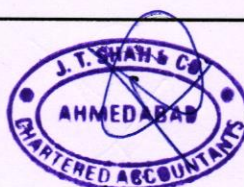
6. Details of Principal actuarial assumptions at the balance sheet date in respect of Gratuity (expressed as weighted averages):

Particulars	2019-20	2018-19
	Rs.	Rs.
Discount rate	6.85%	7.70%
Expected return on plan assets	Not Applicable	Not Applicable
Withdrawal Rates	8.00% at younger ages reducing to 2% at older ages	8.00% at younger ages reducing to 2% at older ages
Annual increase in Salary costs	0.00% for next 1 years & 6% thereafter	8.00% for next 4 years & 7% thereafter

7. Details of Defined benefit pension plans for the current and previous periods are as follows:

Particulars	2019-20	2018-19
	Rs.	Rs.
Defined Benefit Obligation	24,40,147	17,01,694
Plan assets	Nil	Nil
Surplus / (deficit)	(24,40,147)	(17,01,694)
Experience adjustments on plan liabilities	(5,51,878)	(5,75,365)
Actuarial Loss/ (Gain) due to change in assumption	(92,886)	Nil
Experience adjustments on plan assets	Nil	Nil
Net actuarial loss/ (gains) for the year	(6,44,764)	(5,75,365)

The expected benefits are based on the same assumptions used to measure Group's gratuity obligations as at 31st March, 2020. The Company is expected to contribute Rs. 24,40,147/- to gratuity funds for the year ended 31st March, 2020.



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24	Finance costs		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Interest Expenses to bank	1,44,88,953	1,77,62,955
	Interest to Others	1,16,421	40,38,647
25	Other Borrowing costs	21,24,400	23,70,046
	Total	1,67,29,774	2,41,71,648
	Depreciation and amortization expense		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Depreciation of Property, Plant & Equipment	4,53,34,314	5,13,84,345
	Depreciation of Intangible Assets	11,18,756	10,67,311
26	Total	4,64,53,070	5,24,51,656
	Other expenses		
	Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
		Rs.	Rs.
	Electricity & Fuel Expenses	2,81,45,818	2,45,42,309
27	Store Consumption	29,53,982	35,12,739
	Repair and Maintenance to:		
	Building	18,17,991	14,85,398
	Machinery	9,36,504	6,90,034
	Others	3,57,879	4,42,916
28	Sub Total	31,12,374	26,18,348
	Insurance Expenses	8,15,096	7,69,090
	Rent Expenses	6,08,20,096	5,20,22,013
	Rates & Taxes	32,08,258	38,68,284
	Communication Expenses	6,61,319	8,95,387
29	Delivery Expenses	52,39,032	61,91,160
	Travelling, Conveyance and Vehicle Expenses	40,89,465	37,88,830
	Professional Fees Expenses	19,02,900	6,06,150
	Auditors' Remuneration:		
	Audit Fees	2,50,000	2,50,000
30	For Tax Audit	51,000	50,000
	Sub Total	3,01,000	3,00,000
31	Other Selling Expenses	75,72,540	62,44,061
	Provision for Doubtful Debt	16,05,876	Nil
	Commission Expense	36,01,526	2,77,361
	Computer & Networking Expenses	4,66,533	17,64,780
	Outlet Operating Expenses	7,20,297	9,76,139
32	Registration & License Fees Expenses	3,86,895	4,50,493
	Stationery & Printing Expenses	3,70,009	3,73,119
	Loss on Discard of Property, Plant & Equipment	19,60,648	45,71,383
	Software & License fees Expenses	15,09,330	10,01,621
	Miscellaneous Expenses	21,99,425	24,32,156
33	(It includes Office Expense, Security Expense, Recruitment Expense etc.)		
	Total	13,16,42,417	11,72,05,423



DANGEE DUMS LIMITED

27. Borrowing cost attributable to the acquisition or construction of Qualifying Assets amounting to Rs. Nil (Previous Year- Rs. Nil) is capitalized by the company.
28. The company has considered Food & Beverages business as a one segment and all activity revolving around this business and accordingly has only one reportable business segment. Further company also does not have any reportable geographical segment, hence no separate disclosure in respect of primary & secondary segment has been provided as required by AS-17 "Segment Reporting".
29. Profit for the year has been arrived at after adjusting following prior period items from the respective expenses:-

(Amount in Rs.)

EXPENSE HEAD	2019-20	2018-19
Communication Expense	Nil	59,568
Interest Expense	8,285	Nil
Professional Fees Expense	Nil	45,000
Repairs & Maintenance Expense	61,582	87,709
Rent Expense	Nil	4,16,976
Other Selling Expense	Nil	2,85,298
Miscellaneous Expense	Nil	42,511
Total Expense Amount (Rs.)	69,867	9,37,062
INCOME HEAD		
Rates & Taxes	Nil	2,45,537
Total Income Amount (Rs.)	Nil	2,45,537

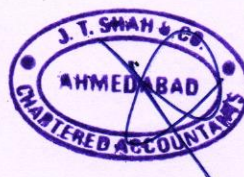
30. Related Party Disclosures

i. Key Management Personnel:

Sr. No.	Party	Designation
1	Nikul J Patel	Director
2	Ketan J Patel	Chief Financial Officer
3	Ravi H Patel	Director
4	Foram Patel	Director
5	Shyamsundar Patel	Company Secretary

ii. List of Relatives of Key Management Personnel with whom transactions have taken place during the year:

Sr. No.	Party	Nature of Relationship
1	Daxaben J Patel	Relative of Key Management Personnel
2	Jagdishchandra B Patel	Relative of Key Management Personnel
3	Dhara R Patel	Relative of Key Management Personnel



DANGEE DUMS LIMITED

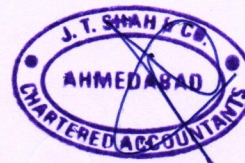
iii. List of Related Parties with whom transactions have been taken place during the year:

Sr. No.	Name
1	Zipbooks Software Solutions Pvt. Ltd.

iv. Details of Transactions are as follows:

(Amount in Rs.)

Sr. No.	Nature of Transactions	Key Management Personnel	Relatives of Key Management Personnel	Related Parties	Total
1	Expenses				
	Remuneration	1,363,954	602,400	Nil	1,966,354
		(3,111,608)	(602,400)	(Nil)	(3,714,008)
	Rent	3,990,750	1,304,250	Nil	5,295,000
		(3,960,000)	(Nil)	(Nil)	(3,960,000)
	Interest	Nil	44,732	Nil	44,732
		(Nil)	(317,589)	(Nil)	(317,589)
	Software and Licence Fees	Nil	Nil	999,250	999,250
		(Nil)	(Nil)	(400,000)	(400,000)
2	Income				
	Sales	Nil	Nil	6,442	6,442
		(Nil)	(Nil)	(Nil)	(Nil)
3	Purchase of Property, Plant & Equipment				
	Purchase of Property, Plant & Equipment	Nil	Nil	Nil	Nil
		(4,50,00,000)	(Nil)	(Nil)	(4,50,00,000)
4	Unsecured Loan				
	Loan taken by company during the year	Nil	Nil	Nil	Nil
		(1,000,000)	(6,000,000)	(Nil)	(7,000,000)
	Interest Charged on Loan	Nil	44,732	Nil	44,732
		(Nil)	(Nil)	(Nil)	(Nil)
	Loan Repaid by the company during the year	Nil	1,204,473	Nil	1,204,473
		(1,601,249)	(5,000,000)	(Nil)	(6,601,249)
	Balance out standing at 31/03/2020	229,426	126,089	Nil	355,515
		(229,426)	(1,285,830)	(Nil)	(1,515,256)
5	Purchase of Intangible Assets				
	Purchase of Intangible Asset	Nil	Nil	970,000	970,000
		(Nil)	(Nil)	(394,000)	(394,000)



DANGEE DUMS LIMITED

- v. List of Transaction, out of the transaction reported in the above table, where the transaction entered in to with single party exceeds 10% of the total related party transactions of similar nature are as under:

A) Expenses

(Amount in Rs.)

Sr. No.	Name of Party	Particulars	2019-20	2018-19
1	Ketan J Patel	Remuneration	456,000	456,000
2	Mohan Motiani	Remuneration	Nil	1,800,000
3	Foram Patel	Remuneration	602,400	602,400
4	Dhara R Patel	Remuneration	602,400	602,400
5	Shyamsundar Panchal	Remuneration	305,544	253,208
6	Nikul J Patel	Rent	3,990,750	3,960,000
7	Daxaben J Patel	Rent	704,250	Nil
8	Jagdishchandra B Patel	Rent	600,000	Nil
9	Daxaben J Patel	Interest	44,732	317,589
10	Zipbooks Software Solutions Pvt. Ltd.	Software & License Fee	999,250	400,000

B) Income

(Amount in Rs.)

Sr. No.	Name of Party	Particulars	2019-20	2018-19
1	Zipbooks Software Solutions Pvt. Ltd.	Sales	6,442	Nil

C) Purchase for Property, Plant & Equipment

(Amount in Rs.)

Sr. No.	Name of Party	Particulars	2019-20	2018-19
1	Nikul J Patel	Advance for Property, Plant & Equipment	Nil	45,000,000

D) Unsecured Loans

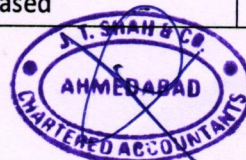
(Amount in Rs.)

Sr. No.	Name of Party	Particulars	2019-20	2018-19
1	Nikul J Patel	Loan taken	Nil	10,00,000
		Loan Repayment	Nil	10,01,249
		Closing Balance	1,17,173	1,17,173
2	Ravi J Patel	Loan taken	Nil	Nil
		Loan Repayment	Nil	6,00,000
		Closing Balance	1,12,253	1,12,253
3	Daxaben J Patel	Loan taken	Nil	60,00,000
		Loan Repayment	12,04,473	50,31,759
		Interest Expense	44,732	3,17,589
		Closing Balance	1,26,089	12,85,830

E) Purchase of Intangible Asset

(Amount in Rs.)

Sr. No.	Name of Party	Particulars	2019-20	2018-19
1	Zipbooks Software Solutions Pvt. Ltd.	Intangible Asset Purchased	9,70,000	3,94,000



DANGEE DUMS LIMITED

31. The company has entered into Operating lease agreement and an amount of Rs.6,08,20,096/- (Previous year-Rs.5,20,22,013/-) paid under such agreement and charged to Profit & Loss. These lease are generally renewable by mutual consent on mutually agreed terms. There are no restriction imposed by such agreement.

32. **Due to Micro and Small Enterprise**

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

Sr. No	Particulars	As At 31/03/2020 Rs.	As At 31/03/2019 Rs
a.	The Principal amount remaining unpaid to any supplier as at the year end	11,65,076	Nil
b.	Interest due thereon	Nil	Nil
c.	Amount of interest paid by the Company in terms of section 16 of MSMED Act.	Nil	Nil
d.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006.	Nil	Nil
e.	Amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
f.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
*	Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company & the same has been relied by the Auditor.		

33. **Earnings Per Share**

(Amount in Rs.)

Particular	Unit	As At 31/03/2020	As At 31/03/2019
Numerator used for calculating Basic and Diluted Earnings per Share (Profit after Tax)	Rs.	(1,26,94,164)	2,14,82,894
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	1,02,65,000	91,28,189
Nominal Value of Share	Rs.	10	10
Basic and Diluted Earnings per Share	Rs.	(1.24)	2.35



DANGEE DUMS LIMITED

34. Details in respect of Amount raised during the year 2018-19 by initial public Offer and details in respect of amount utilized out of initial public offer proceeds are as under:-

(Amount in Rs.)

Purpose specified in the Prospectus for initial public offer	Amount needs to be utilized as per prospectus	Amount Actually utilized by the company from initial public offer proceeds till 31/03/2020	Amount needs to be utilized from initial public offer proceeds
Repayment of Term Loan outstanding at the time of initial public offer	10,99,76,000	10,45,53,363	54,22,637
Purchase of Property, Plant & Equipment	4,77,00,000	4,76,65,350	34,650
General Corporate Purpose	3,80,12,000	3,39,54,871	40,57,129
Public Issue Expense	50,00,000	45,14,416	4,85,584
Total	20,06,88,000	19,06,88,000	1,00,00,000

35. During the year the company has impaired the asset to the tune of of Rs. Nil (Previous Year Rs. Nil)
36. Contingent Liability not provided for Estimated amount of Contracts remaining to be Executed on Capital Account Rs. 5,96,99,186/- (Previous year Rs. 8,07,25,689/-). Advance paid against such contract is Rs. 1,95,09,951/- (Previous year Rs. 1,99,29,014/-) which is shown under the head of Advances.

37. Expenditure in Foreign Currency:

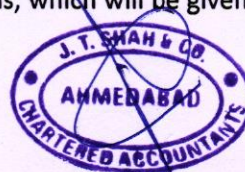
(Amount in Rs.)

Particulars	2019-20	2018-19
Recruitment Expense	Nil	1,85,277
Advance for Property, Plant & Equipment	Nil	1,14,335
Total	Nil	2,99,612

38. Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Management based on current estimates expects that the carrying amounts of Receivables, Inventories & Advances will be recovered, net of provisions made if any.

The extent to which the COVID-19 pandemic will impact the company's financial performance is dependent on future developments, which are highly uncertain including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic conditions the impact of COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.



DANGEE DUMS LIMITED

39. The figures of the previous year have been regrouped and rearranged wherever considered necessary.

Signature to Notes "1" to "39"

As per our report of even date attached herewith

For, J. T. Shah & Co
Chartered Accountants
(Firm Regd. No. 109616W)

[A. R. Pandit]

Partner

[M.No.127917

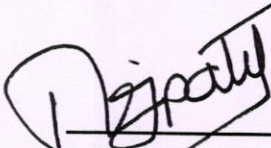
UDIN: 20127917AAAACD5746

Place : Ahmedabad

Dated: 14/07/2020

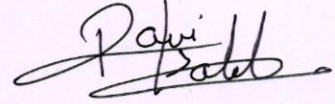


For, and on Behalf of the Board


Nikul J Patel

Director

(DIN: 01339858)



Ravi M Patel

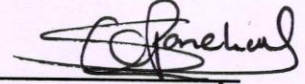
Director

(DIN: 02017962)



Ketan J Patel

Chief Financial officer



Shyamsundar Panchal

Company Secretary

MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULT OF OPERATIONS**ECONOMIC / INDUSTRY OVERVIEW**

The novel coronavirus /COVID-19 pandemic has significantly impacted the whole food and beverages industry among which bakery industry is one of them. This pandemic has resulted into mass production shutdowns and supply chain disruptions which has also affected the economy as well. The Covid-19 pandemic has drastically affected the world. It has not only put the life of the people at stake but also has crashed down the world's economy. Every industry, either supporting industry in terms of supply chain or directly involved in manufacturing, has been adversely affected by this pandemic. The food industry was allowed to resume the operations earlier.

The majority of products preferred by consumers are bread, biscuits, and cakes whose market was about to increase by the growth rate of 12% but unfortunately, due to the Covid-19 pandemic, the growth has become stagnant. The growth rate has fallen and many of the small scale start-ups are even struggling for their survival.

Presently, the bread and bakery product market is expected to grow at a compound annual growth rate (CAGR) of 1% due to the economic slowdown and lockdown effects. Although the market is expected to recover from 2021 by the growth rate of 4-5%, it is still less than the growth rate expected before Covid-19 pandemic.

The cake market in India is expected to witness notable growth in near future with a projected market value likely to exceed USD 12 billion by 2024 expanding at a CARG of 9.3% during 2019 to 2024. Alongside these predictions, India occupies a unique position in the market as flavour innovation continues to grow in importance on a global scale. Indian traditions and access to interesting and unusual flavour combinations will allow them to continue to excel and innovate in this market., owing to change in spending patterns of consumers, on the back of expanding middle-class population and increasing consumer preference for cakes as a regular sweet rather than an occasional treat. Moreover, growing population base of the young working class, which prefers to spend on lifestyle & luxury products, availability of innovative packaged products, and aggressive marketing & promotional activities expected to boost demand for dry cakes in India in the coming years.

FISCAL YEAR 2020 AND OUTLOOK

During the fiscal year ended 31st March 2020, your Company has achieved a total net sale of Rs. 3652.98 lakhs and incurred loss of Rs. 126.94 lakhs.

The Company's main revenue comes from selling of bakery, confectionery and ice cream products through its outlets spread in the state of Gujarat, further, the Company has its manufacturing facility in Ahmedabad..

Therefore, due to lockdown announced by Government of India, the company has to shut down all its outlets and manufacturing facilities from March 22, 2020, which has impacted negatively to its business operation and financial position. However, manufacturing facilities was partially re-opened with not more than 5-10 % capacity w.e.f. April 10, 2020 with 2-3 employees, and some of outlets partially re-opened w.e.f. May 23, 2020.

Further, the Company has closed all its 19 stores including its major store category under brand name "DANGEE DUMS" AND "DANGEE DUMS YUMS" in Surat. It is to be noted that the stores in Surat had contributed total revenue of Rs. 4,18,93,550/- in Financial Year 2019-20 and Rs. 5,64,94,315/- in the Financial Year 2018-19 which constitutes 11.85% and 14.74 % of total revenue of the concern financial year respectively. The closure of all the stores of the Company in Surat (Gujarat) will result negative to its total revenue in the current financial year it will save the company from prospective cash loss due to non-viability of the stores arose out of the present pandemic and the Company also does not see any major improvements in the performance of the stores in Surat City.

BUSINESS STRATEGY

Going forward our business strategy will rest on four pillars, the idea is to put in place a proper framework to give us the best chance to grow in the face of challenges from the competition and external events over which we may have no control. Each of tenets of our strategy is explained below:

Strengthen our core

This is our first pillar as we believe that any company that is serious about being relevant in its business for the long term has to keep an eagle eye on its core while it goes about augmenting its business in other directions.

For us, the core of our business is cakes, pastries and cupcakes. A majority of our revenue comes from these three categories and will continue to do so in the near future. Our brand is associated with these products so much that we are probably the first or the second brand that would pop up in people's mind when they think of consuming products in these categories. Our products have long set the benchmark in terms of flavors, visual appeal, taste through use of top-of-the-line ingredients and encouraging the craftsmanship and creativity of our chefs.

We hope to continue investing in growing the appeal of our core categories by refreshing existing options, adding new ones and exploring new product formats (Mini cake being an example from the past)

Exploit our expertise in western dessert products

This is our second pillar, by virtue of being in the cakery business for best part of nine years your company has through controlled experimentation acquired expertise in different types of western dessert products. While in the previous years we have been focused on growing business through geographic expansion of our existing products, we see an opportunity to capture additional wallet share through new products in both the fresh serve and packaged format. While the former has seen us enter adjacent categories like brownie, tea cake and so on, in the latter category we have entered the packaged coated chocolate segment, in the coming months this will be expanded to cookies, khari and ice-cream (in new form factors). The objective is to appeal to a diverse set of customers and purchase occasions.

Offer newer formats

Your company keeps evaluating opportunities in new formats which are related to our areas of expertise, this provides your company to breakout one of its existing products offering in a separate format or to enter into a new category that shows promise. Either way the idea is for the company to appeal to newer audience and purchase occasions.

Increase points of distribution

The final pillar of our strategy is increasing points of distribution. Today there are 78 outlets as on march 31, 2020 where the consumers can buy our products However due to COVID-19 , there are 45 outlets as on the date of report. This is a very small number when compared to the potential that our products hold in terms of their ability to appeal to audiences across different channels. We have always felt that there is an opportunity to take our products beyond our stores and with that in mind we have redoubled our efforts in product development of packaged products that has resulted in some launches which will continue in coming year.

While our stores will always be the first stage to check product acceptance of such products, we are in the process of initiating talks with major chains, distributors, online grocery platforms and so on to grow our points of distribution of such products. This increases our opportunities to sell not only to those who know or purchase our brand, but also to those who may not.

Putting it all together

While strategies often look good on paper, what often separates successful ones from the not-so-successful is their execution. Each of these pillars requires a proper structure to ensure proper planning, execution and monitoring. Your company will invest in putting in place the right structure that ensures precise execution, the investment may vary from

say putting in place a business development team or resources and tools for GT and MT store fulfillment or even increasing the numbers of product development team and innovation team. While as mentioned before that of this takes us in new directions, we feel that it essential for the company to adjust, pivot and transform in order to best respond to emerging opportunities and challenges. We are confident that with the team we have in place we are on track to achieve our growth objectives

OUR COMPETITIVE STRENGTHS

We derive our strengths from following factors:

1. Brand Name and Image:

Our biggest competitive strength especially in state of our Gujarat is our brand name. There will be very few people in cities that we operate in who will not have heard about our brand. At various times, we have also got enquires from people in cities that we do not operate in, requesting us to open stores there. This gives us a straight advantage against any other brand since there is an existing level of awareness and product preference to work with. It therefore simplifies our task for brand extensions in the cities that we operate in, and, geographic extensions in the cities that we don't.

2. End to end ownership of the Supply chain

We take the customer experience of our value proposition very seriously. As a result we take ownership of almost all aspects of our supply chain including manufacturing our products, having a fleet to manage the distribution, all of our stores are company owned and finally at the other end of the supply chain we also have an in-house CRM team to capture responses of our customers post consumption. Each point in our supply chain provides us with an opportunity to capture feedback and insights and this allows us to bring about improvements well before competition.

3. Our talented employee base:

We have built a strong team of key personnel and directors who comes with a varied knowledge base and experience. The company has strived to provide create a culture that is interesting and, we believe this creates a healthy mix of employees that brings in diversity of opinions and ideas. It is our strong belief that the right culture that unlocks the potential of a motivated and skilled team of employees is the only sustainable competitive in today's times.

4. Expertise in western dessert products:

Our current knowledge base in western dessert products has been acquired as a result of our journey where we have experimented with varied category of products and product formats in the quest to establish our brand. At many times we did not launch something because we felt that either the market wasn't ready or we weren't ready or the product did not fit with our quality expectations or finally the product did not fit with our plans. We feel that now we have reached an inflection point from whereon in we can make multiple launches across various categories.

Emerging Opportunities:

1. India's strong consumption fundamentals

Like any other business on the consumption side, our business will continue to benefit from the strong fundamentals in the Indian economy Close to 60% of India's GDP is consumption led, at the same time we have just scratched the surface when it comes to penetration for most categories. A predominantly young population with rising disposable income and growing openness to try new products and experiences are trends that should benefit most businesses in times to come

2. Logistics based startups augmenting distribution

In addition to third party platforms like Zomato and Swiggy which are essentially logistics networks to solve last-mile connectivity challenges, there are companies like Grab and so on which are pure play delivery platforms.

The latter group allows brands to develop their own delivery platforms. All of this allows multiple ways for customers to reach food service brands like ours

3. Acceptance of western dessert items in gifting

There was a time when gifts around food during festivals would comprise mainly of mithai, this is slowly changing allowing brands in chocolates, confectionery, cookies access to more consumption occasions. There are opportunities for brands to innovate on price points, product form, and delivery and capture growth

4. The third place

The young population of today is always on the lookout for places to ‘hangout’ or to celebrate with their loved ones, these serve other purposes such as an informal setting for an interview, a place to meet someone new and so on. There are opportunities for many players in this space; traditionally a café with a focus on beverages has served such a place. We feel that there are opportunities for other concepts like say a dessert café to claim this space.

Weakness and threats:

1. Our strong links to cakes and pastries

While this is can also be strength, it can be a potential barrier. We would like gradually establish Dangee Dums as a master brand with multiple sub-brands under it that support different store concepts and product form factors. Our brand can potentially offer instant recognition in the cities that we operate in and can therefore drive trial however there remains a risk that our consumers continue to see us as primarily a cakery brand since our salience to that category is very strong,, this is a challenge that we may have to overcome.

2. Low entry barriers

Our category is governed by low entry barriers and low customer switching costs. This is definitely a risk as a new player will usually be more nimble and probably more in tune with the customer. It requires to be constantly on the lookout for such players and trends so that we may learn from them and incorporate the learning in our product development before they become a serious challenge

3. Change in modus-operandi

As discussed in our Strengths section, owning all the different parts of our supply chain has been our strength. We are now moving to a mixed model where we will partner with other organizations that will own customer interaction or last-mile connectivity. As an organization this is a major change for us and requires us to identify partners who are in-sync with us in their beliefs our customer experience and quality. While most brands talk about this, very few walk the walk. There are chances that we may go wrong in identifying such as partners though we will try minimizing this risk by being as thorough as possible in our selection.

4. The arrival of third party marketplaces

The arrival of third party marketplaces in the food category such as Swiggy, Zomato and Uber Eats, and, Bigbasket and Amazon in online grocery retail has created uncertainty in most markets they cater to. Their penchant for discounts is negatively affecting margins, though their rising scale means they cannot be ignored as a distribution channel. More than anything else the biggest risk is that they own the relationship with the customer and this therefore deprives retail brands from all the advantages that direct interaction with the customer brings with it (such as direct feedback, ideas for new products and so on). They have always shown a willingness to backward integrate which means they can potentially compete with brands listed on them. While even traditional players competed with the brands that would stock through their private labels, online players offer a further challenge of having proprietary algorithms that obfuscate important parameters such as position on the app/website, rating calculations and so on, all factors that are critical to sales. Even if their arrival has given a sales bump to existing players, their long term ramification on the business is uncertain

5. Unforeseen government regulation

Seminal events like demonetization and GST introduction certainly disrupt business in the short term. Some of these regulations may be good for the industry in the long term but because they are unforeseen, a business cannot plan for them and they may catch even strong brands at a wrong time. This represents an ever present danger and we are certainly cognizant of this even if we may have little control over it.

KEY RISKS AND CONCERNS

The Company is exposed to business risks which may be internal as well as external and the growth of our Industries is linked to the overall economic growth. Primary risk to the business will be on account of adverse changes to the economy. Volatility in commodity prices is the other significant risk.

FINANCIAL AND OPERATIONAL PERFORMANCE

The key standalone financial are as under:

(Rs. in Lakh)

Particulars for the year ended	March 31, 2020	March 31, 2019
Revenue form Operation	3652.98	3930.17
Profit before Tax	(175.22)	149.89
Profit after tax	(126.94)	214.83

DISCLOSURE OF KEY CHANGES IN FINANCIAL INDICATORS - KEY FINANCIAL RATIOS:

Particular	F.Y. ended March 31, 2020	F.Y. ended March 31, 2019	Explanation
Debtor Turnover	19.03	12.30	Due to one of our Debtors exceeding One year from the date they become due.
Inventory Turnover	8.36	13.08	Due to expansion of of business by introducing new products, the Company increased its stock. Further, sale of the products impacted due to COVID 19 in last 10 days of March 2020.
Interest Coverage Ratio	1.20	0.69	
Current Ratio	0.99	1.46	The amount held in Current asset was used to purchase new fixed assets during the year.
Debt Equity Ratio	0.56	0.57	
Operating Profit Margin (%)	(4.96%)	3.91%	1. Due to new products launched during the year and the increased expenses of outlets and other related matters which resulted in increase in fixed assets expenses.
Net Profit Margin	(3.48%)	5.47%	
Return on Networth (%)	(3.82%)	6.22%	

			2. Further, Due to COVID-19, the revenue of the Company was heavily impacted from March 15, 2020.
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INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Some Key Features of the Company's internal controls system are:

- The Company uses ERP system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- Adequate documentation of Policies & Guidelines.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis.
- The Company has a compliance management system.
- Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy & effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies & systems. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year and we believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business. Our business model comprises of senior level executives, professionals, experienced, qualified and semi qualified personnel. Our company has HR department which recruits and manages this division and ensures that personnel required are made available in time, train them and make them ready according to their job profile. At the end of the FY 2019-20, the Company was having 301 employees and the same got reduced to 247 employees due to the effect of the ongoing Covid-19 pandemic.

Our Company **work** processes and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, competitive actions, changes in Government regulations, tax regimes, economic developments in India and in countries in which the Company conducts business and other incidental factors.

SECTION VI – LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 Lakhs, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII to the Companies Act, 1956 or Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters and its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATIONS**(A) Pending Litigation against the Company:**

One notice was served on the Company by Commissioner Of Central Tax Audit, Ahmedabad

1. The Company received a show cause notice from the office of Commissioner of Central Tax Audit, Ahmedabad vide its Note No. 21/2018-19 regarding non- payment of service of service tax under RCM. Amounting to Rs. 16,93,722/- for renting Immovable Property of the Director to the Company.
2. However, the said service was provided by the Director in his personal capacity and not as a director of the Company. The Adjudicating Authority passed the order in favour of the Company.
3. Dissatisfied with the order, the department appealed against the said order in the tribunal and the matter is still pending as on the date.

Pending litigation-Promoters

1. Except as following, there are no criminal cases filed against our promoter Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.

Criminal Case No. 864 of 2011 before 4th Additional Civil Judge and JMFC, Ahmedabad: State of Gujarat Vs. Vivek Lalitbhai Jain and Ors.

- A case has been filed by the State of Gujarat pursuant to alleged offence committed by Nikul Jagdishchandra Patel (Accused No. 18) and others for consumption of alcohol without permit It has

been alleged that on December 4, 2010 between 1.15 AM to 1.30 AM, and at the address – 202, Gulmohar Apartment, Bodakdev, the accused Nos. 15 to 24 had foreign liquor and accused Nos. 1 to 14 helped them.

- Charge Sheet has been filed on December 4, 2010 in the matter of FIR No. Prohibition.GU.R.NO. 5082 Of 2010 for offence has been alleged under Section 66, 65 And 81 To 85 of The Gujarat Prohibition Act,1949.
- The criminal case is at the stage of issuance of process to all the accused in the complaint and is *sub judice* before the Court.

2. There are no criminal cases filed against our promoters Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.

3. Except the following, there are no civil cases filed against our promoter Mr. Nikul Jagdishchandra Patel.

i) Before Principal Senior Civil Judge (Rural): Special Civil Suit No. 4 Of 2016. Legal Heirs Of Late Kanubha Pratap Singh Darbar And Others Vs. Legal Heirs Of Vajesingh Keshuji Maluji And Others

- The suit has been filed by the plaintiffs, for seeking declaratory and injunction reliefs vis-à-vis land bearing survey no(s) 3, 37,44,56/1, 58,60, 60, 61, 61/1, 98, 109, 119, 130/1, 130/2, 130/3, 130/4, 131, 168, 169/A and 169/B in District Ahmedabad, Taluka-Vatva, Moje-Piplaj against the Defendants for seeking annulment of the sale deeds of the said parcels to the third parties. The Plaintiffs have alleged that they were legal heirs of the original owner of the above parcels and therefore, the sale of the same to third parties is illegal.
- The Promoter, Mr. Nikulbhai Jagdishbhai Patel (Defendant No. 8 in the present suit) had purchased lands bearing Survey Nos. 98, 130/1, 130/2 and 130/3 in District-Ahmedabad, Taluka-Vatva, Moje-Piplaj by registered sale deeds on September 23, 2010 and sold the same to M/s Jayni Projects Limited, Mr. Rajendrabhai C. Raval by registered sale deeds.
- As on date there is no interim order passed in the matter and the suit is pending adjudication.

ii) Before the Hon^{ble} Collector, Ahmedabad RTS Revision No 298 of 2017 M/S Jayni Projects Limited, Through Its Director, Mr. Rajendrabhai C. Raval Vs. Rajuba Kanubha & Ors.

- The application has been filed by Jayni Projects Limited, through its director, Mr. Rajendrabhai A. Raval challenging the mutation entry No. 1598 dated January 9, 2015 passed by Mamlatdar before City Deputy Collector (East) with respect to land bearing Survey Nos. 98, 130/1, 130/2 and 130/3 in District-Ahmedabad, Taluka-Vatva, Moje-Piplaj. The Applicant had purchased the said parcels of land from the Promoter, Mr. Nakulbhai Jagdishbhai Patel, (the erstwhile owner of the land) who is Opponent No. 9 in the present application.

- The Hon'ble District Collector, by his order dated August 14, 2017, has granted a *status-quo* on the land in question and the matter is *subjudice*.
4. There are no civil cases filed against our promoters Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.
 5. There are no criminal case and civil cases filed by our promoters Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.
 6. Except the following, there are no cases relating to tax matters against our promoter Mr. Nikul Jagdishchandra Patel.

Appeal Before the Commissioner of Income Tax (Appeals) – 2, Ahmedabad, Nikul J. Patel Vs. CIT, Ahmedabad IV:

- An appeal has been filed by the Promoter, before the Commissioner Of Income Tax (Appeals) – 2, Ahmedabad(–CITA)underSection143(3)of the Income Tax Act,1961(–Act).The issue pertains to income tax return filed by the Promoter on September 30, 2009 whereby the income declared was NIL.
 - The Commissioner of Income Tax-IV, considering such assessment order to be erroneous and prejudicial to the interest of revenue, set-aside the same by invoking the provisions of Section 263 of the Act on February 21, 2015, with a direction of assessment to be undertaken. Consequently, the Assessment Officer, after considering representation from the Promoter, raised a demand notice of INR 1,92,02,830/-. The Promoter has challenged the said assessment order passed by the Assessment Officer, which is presently *sub-judice* before the CITA.
7. Except the following, there are no cases relating to tax matters against our promoter Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.

Notice u/s 143(3) of Income Tax Act, 1961 Regarding Re Assessment of Income

- A notice was served on Mr. Nikul Patel by the Income Tax Department for AY 2015-16 vide its notice dated 24/12/2019 regarding deceiving the income amounting to Rs. 2,98,31,940/- while filing the income. However, the promoter has already disclosed the exempted income in the assessment. Upon which the concerned authority (CITA(A)) passed order in favour of the promoter.
- However, the department, dissatisfied with the order appealed ITAT and the said is still pending.

Except the following, there are no cases relating to tax matters filed by our promoter Mr. Nikul Jagdishchandra Patel, Mr. Ravi Hemantkumar Patel and Mrs. Foram Nikul Patel.

(B) Pending litigation- For Our Promoter Groups

1. There are no criminal case and civil cases filed against our promoter group Mr. Jagdishchandra Bhailalbhair Patel, Mrs. Dhara Jagdishchandra Patel and Mrs. Kusumben Bhailalbhair Patel and Mrs. Daxaben Jagdishchandra Patel.
2. There are no criminal cases and civil cases filed by our promoter group Mr. Jagdishchandra Bhailalbhair Patel, Mrs. Dhara Jagdishchandra Patel and Mrs. Kusumben Bhailalbhair Patel and Mrs. Daxaben

Jagdishchandra Patel.

3. There are no cases relating to tax matters against or filed by our promoter group Mr. Jagdishchandra Bhailalbhai Patel, Mrs. Dhara Jagdishchandra Patel and Mrs. Kusumben Bhailalbhai Patel and Mrs. Daxaben Jagdishchandra Patel.

(C) Pending litigation- Our Group Companies/Entities

There are no pending litigation against our group Companies/entities except:

1. Bharat Infrastructure:

Following are the details of the civil case filed against the firm:

Before the Hon^{ble} Madhya Pradesh High Court, Jabalpur Bench, Gwalior MA 1075 Of 2011 Smt. Phoolwati W/O Deceased Motiram & Ors Vs. Kalpnath S/O Ramlakhan Yadav & Ors.

- The present appeal has been filed by the wife of the deceased under Section 173 of the Motor Vehicles Act before the Madhya Pradesh High Court, Gwalior Bench, for seeking enhancement of the compensation of INR 2,90,800/- along-with interest @ 12% p.a. over and above an amount of INR 7,99,200/- granted by the Tribunal.
- Mr. Nikul J. Patel as a Sole Proprietor is the Respondent No. 2 i.e. M/s. Bharat Infrastructures, in the above proceeding.
- The matter is presently *sub judice* and in the event the appeal is allowed, liability to the extent of INR 2,90,800/- along-with interest @ 12% p.a. over and above an amount of INR 7,99,200/- granted by the Tribunal. However, since the insurance company is also one of the parties, the Firm may stand indemnified.

2. Bhailalbhai A. Patel

Labour Cases filed against the Firm	: NIL
Labour Cases filed by the Firm	: NIL
Civil Cases filed against the Firm	: 2
Civil Cases filed by the Firm	: 6
Criminal cases against the Firm	: NIL
Criminal cases filed by the Firm	: NIL
Notices served on the Firm	: 1
Tax related matters	: 1

Following are the civil cases filed against the firm:

1. Before the High Court of Gujarat, At Ahmedabad: First Appeal No. 2077 Of 2016 Manishkumar Shantibhai Patel Vs. Navinkumar Popatbhai Patel &Ors:

- The appeal has been filed by Mr. Manishkumar Shantibhai Patel under Section 173 of the Motors Vehicle Act, 1988, challenging against judgment and award passed by the Court of Learned M.A.C Tribunal (Aux) (**Tribunal**) and 2nd Additional District Judge, Kheda at Nadiad in Motor Accident Claim Petition No. 717 of 2001 for claiming a compensation of INR 1 Lakh towards injuries sustained by him in the motor accident under Section 166 of the Motor Vehicles Act, 1988. The Firm is also a Respondent in the proceeding.
- The Hon'ble High Court, by order dated October 10, 2016, has disposed-off the present appeal since the respondents to the present appeal were wrongly impleaded. The Tribunal has been directed to implead the driver, owner, and insurance company of the car bearing Registration No. GRQ-4905 and thereafter proceed with the Claim of the Petitioner. The Tribunal has been also directed to dispose of the matter within a period of six months.

2. Office Order No. 168 of 2016 dated August 6, 2016, passed by Executive Engineer, Sujlam Suflam Division No. 2, Visnagar:

- The Firm (**M/s Bhailalbhai A. Patel**) was given the tender for an amount of INR 4,89,83,622/- for completion of a canal under the Sujlam Suflam Scheme. The Government alleged that there was a delay in completion of work and that the part of work was left incomplete. Consequently, the Government has claimed damages for breach of tender terms for an amount of INR 24,98,184/-, additional expenses for an amount of INR 26,00,000/-. The State has forfeited the deposit of INR 15,83,614/- and made an aggregate demand for INR 35,14,570/-. We have been given to understand that the Firm has rejected the claim made by the State Government. As on date, no litigation has been initiated by the State of Gujarat against the Firm for recovery of money.

Following are the civil cases filed by the firm:

1. Before the High Court of Gujarat, at Ahmedabad - First Appeal No. 151 Of 1988, The State Of Gujarat, Sachivalaya Vs. M/s Bhailalbhai A.Patel

- The Appeal has been filed by the State of Gujarat against decree passed by the Second Joint Civil Judge(Senior Division), Ahmedabad, Narol in Civil Suit No.151 of 1984(–**Civil Suit**), wherein a decree of INR24,29,550/-was passed in favour of M/s Bhailalbhai .Patel(–**the Firm**), in which, Mr. Nikul Jagdishchandra Patel is a partner.
- The High Court, by order dated February 17, 1998 was pleased to grant an interim stay subject to deposit of the decretal amount within 8 weeks before the Trial Court with the liberty to withdraw

50% of the same on furnishing a bank guarantee. The Trial Court was directed to invest half of the amount in long term Fixed Deposit Nationalized bank. The Firm has withdrawn half of the amount pursuant to the liberty granted by Court.

- Presently, the first appeal is *sub-judice* before the Gujarat High Court and there is no order of stay against the decree of the City Civil Court.

2. Before the Hon^{ble} Civil Judge (Senior Division), At Gandhinagar, Civil Misc. Application No. 83 of 2014, Government of Gujarat Vs. M/S. Bhailalbhai Ambalal &Anr.:

- The Firm filed Special Civil Suit 197/1985 before Civil Judge, Senior Division, Ahmedabad (Rural), Mirzapur, Ahmedabad, against the State of Gujarat, praying for recovery of INR 1,00,53,360/- , being the contractual dues, not paid to the Firm. The Trial Court passed a decree to the effect that the Firm should be compensated for the loss of reasonable profit and an amount of INR 48,86,012/-. The entire claim of INR 20,35,803/- was also granted.
- The State of Gujarat challenged the Trial Court before the High Court in First Appeal No. 961 of 1991. The High Court by its final Order dated July 31, 2012, quashed and set aside the judgment and decree of the Trial Court, which was also upheld by the Supreme Court in as SLP No. 24967 of 2012.
- The CMA 83 of 2014 has been filed before Gandhinagar Civil Judge by the State of Gujarat for seeking refund of INR 35,00,000/- (with interest) deposited before the Senior Civil, Ahmedabad pursuant to interim Order dated December 3, 1991 passed by Gujarat High Court in First Appeal No. 961 of 1991. The application is presently pending adjudication.

3. Before the Sole Arbitrator Shri A.T. Doshi in the Arbitration Petition No. 15 Of 2011: M/s. Bhailalbhai A. Patel Vs. State of Gujarat AndAnr.:

We have been provided with copies of claim statement and rejoinder filed by the Firm before the ongoing four arbitrations and minutes of a meetings.

- Arbitration Petition No. 15 of 2011:

A claim of INR 10,53,893/- + 18% interest from the due till the date of realization has been made in the Statement of Claims against the Respondents.

4. Before the Sole Arbitrator Shri A.T. Doshi in the Arbitration Petition No. 16 Of 2011: M/s. Bhailalbhai A. Patel Vs. State of Gujarat And Anr.:

We have been provided with copies of claim statement and rejoinder filed by the Firm before the ongoing four arbitrations and minutes of a meetings.

- Arbitration Petition No. 16 of 2011:

A claim of INR 11,85,059/- + 18% interest from the due till the date of realization has been made in the Statement of Claims against the Respondents.

5. Before the Sole Arbitrator Shri A.T. Doshi in the Arbitration Petition No. 17 Of 2011: M/s. Bhailalbhair A. Patel Vs. State of Gujarat And Anr.:

We have been provided with copies of claim statement and rejoinder filed by the Firm before the ongoing four arbitrations and minutes of a meetings.

- Arbitration Petition No. 17 of 2011:

A claim of INR 9,52,145/- + 18% interest from the due till the date of realization has been made in the Statement of Claims against the Respondents.

6. Before the Sole Arbitrator Shri A.T. Doshi in the Arbitration Petition No. 18 Of 2011: M/s. Bhailalbhair A. Patel Vs. State of Gujarat And Anr.:

We have been provided with copies of claim statement and rejoinder filed by the Firm before the ongoing four arbitrations and minutes of a meetings.

- Arbitration Petition No. 18 of 2011:

A claim of INR 9,35,765/- + 18% interest from the due till the date of realization has been made in the Statement of Claims against the Respondents.

Following are the notices served on the firm:

1. Demand Notice issued by the Office of Executive Engineer, Indira Gandhi Naher Project, Faloudi Division, Jaisalmer (Rajasthan):

- The Firm (M/s Bhailalbhair A. Patel) was awarded the work of manufacturing and supplying P.C.C. blocks for an amount of INR 1,29,22,500/- by way of work order dated April 8, 1988. It has been alleged that the Firm did not complete the work in time and has raised a claim for damages amounting to INR 1,15,37,348 on the Firm.
- The Firm therefore, has contested the demand notice and the matter is pending resolution before a Mediator appointed by the State.

Following are the tax related matters against the firm:

2. Appeal Before the Gujarat Value Added Tax Tribunal, Ahmedabad, M/s Bhailalbhair A. Patel Vs. State of Gujarat

- The Commercial Tax Officer, Enforcement Division -1, Ahmedabad vide their Order dated March 31, 2012 directed M/s Bhailalbhair A. Patel to deposit Rs.15,03,52,041/- (Rupees Fifteen Crore Three

Lakhs Fifty Two Thousand Forty One Only) on account of cancellation of TIN (Registration) Number 24073000642 w.e.f. April 01, 2007, therefore, M/s Bhailalbhai A. Patel has acted as unregistered dealer since April 01,2007.

- The M/s Bhailalbhai A. Patel received a Demand Notice dated July 6, 2012 of Commercial Tax Department, Gujarat State for Rs. 15,03,52,041 (Rupees Fifteen Crore Three Lakhs Fifty Two Thousands Forty OneOnly).
- The Dy. Commissioner of Commercial Tax, Vibhag-2, Ahmedabad vide Order dated July 20, 2012 Ordered and Restored the TIN (Registration) Number 24073000642 w.e.f. April 01,2007.
- M/s Bhailalbhai A. Patel filed Second Appeal No. 871 of 2012 before Gujarat Value Added Tax Tribunal for stay and cancellation of Order of The Commercial Tax Officer, Enforcement Division - 1, Ahmedabad dated March 31, 2012.
- The Gujarat Value Added Tax Tribunal, Ahmedabad vide order dated September 10, 2012 granted stay till December 10, 2012, subject to payment of Rs.3,00,000/- and vide Order dated December 04, 2012 confirmed that since M/s Bhailalbhai A. Patel (Appellant) has already deposited the said amount of Rs.3,00,000/- the stay granted earlier shall continue till the final disposal of this second appeal.
- The Second Appeal No. 871 of 2012 is pending before the Gujarat Value Added Tax Tribunal, Ahmedabad.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Information Memorandum) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake the Offer and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Information Memorandum.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled „**Key Industry Regulations and Policies** of this Information Memorandum.*

A) CORPORATE APPROVALS

1. Certification of Incorporation dated August 13, 2010 issued to our Company by ROC.

B) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

1. Registration under FSSAI
2. Registration Under The Gujarat Shops And Establishment Act, 1948
3. Registration of Professional Tax

4. Other General Licenses:

Sr. No.	Nature of License	Issuing Authority	Registration / License No.	Effective Date of Registration	Valid Up To	Address
1.	PAN	Income Tax PAN Services Unit	AAICA7675G	August 13, 2008	Perpetual	04, Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015
2.	TAN	Income Tax Department	AHMA10067B	September 9, 2010	Perpetual	4A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad- 380014.
3.	Employees Provident Fund	Regional Provident Fund Commissioner, Regional Office Ahemdabad, Employees Provident Fund Organisation, Ministry of Labour	GJ/AHD/57093/E NF/II/1332	June 1, 2011	Perpetual	4A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad- 380014.
4.	ESIC	Assistant Director, Gujarat Regional Office, Employee State Insurance Corporation	37000292810000 009	April 03, 2012	Perpetual	04, Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015
5.	GST	Government of India and Government of Gujarat	24AAICA7675G1 ZH	December 19, 2017	Perpetual	4A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad- 380014.
6.	Registration under Factories Act	Joint Director, Industrial Safety and Health, Ahmedabad Region	22417	June 14, 2018	December 31, 2022	Shop No. G-1 to G-14 and F-1 TO F-14, S-1 TO S-14, Devraj Industrial Park, Piplaj, Pirana Road, Piplaj, Ahmedabad
7.	Certificate of Exporter Importer Code (IEC)	Office of Jt. Director of Foreign Trade	0810027135	February 21, 2011	Perpetual	4A, Ketan Society, Nr. Sardar Patel Colony, Naranpura, Ahmedabad- 380014.

8.	Registration under the Gujarat VAT Act, 2003 (Form 102)	Commercial Tax Depart, Government of Gujarat	24073702618	December 15, 2010	Perpetual	04, Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015
9.	Service tax (ST-2)	Central Board of Excise and Customs	AAICA7675GSD 001	June 25,2013 amended on April 22,2016	Perpetual	04, Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015
10.	Central Excise (Form RC) [for erstwhile registered office]	Asstt Commissioner, Central Excise	AAICA7675GEM 001	January 5, 2015	Perpetual	Sigma Legacy, IIM- A Road, Panjrapole, Ambawadi, Ahmedabad – 380015
11.	Central Excise (Form RC) [for factory]	Asstt Commissioner, Central Excise	AAICA7675gem0 02	July 6, 2015	Perpetual	Devraj Industrial Park, Piplaj-Pirana Road, Piplaj, Ahmedabad
12.	Consolidated consent and Authorisation (CCA) from Gujarat Pollution Control Board	Gujarat Pollution Control Board	AWH-27233	January 30, 2018	January 5, 2025	Plot Nos G1 to G-5, Devraj Industrial Estate
13.	Controller of Legal Metrology and Director Consumer Affairs	Assistant Controller of Legal Metrology, Consumer Protection Officer	GUJ/ACLM/LM/ AHD/PCR/418- 2017/3777	July 24, 2017	Perpetual	Shop No. G-1 to G-14 and F-1 TO F-14, Devraj Industrial Park, Piplaj, Pirana Road, Piplaj, Ahmedabad
14.	Controller of Legal Metrology and Director Consumer Affairs	Assistant Controller of Legal Metrology, Consumer Protection Officer	ACLM/ABD/nom ination/2017- 18/3776	July 21, 2017	Perpetual until cancellation of nomination by the Company, the nominee ceases to be a director or nominee makes request for cancellation	Shop No. G-1 to G-14 and F-1 TO F-14, Devraj Industrial Park, Piplaj, Pirana Road, Piplaj, Ahmedabad

C) INVESTMENT APPROVALS

As per notification number bearing FEMA/20/2000-RB dated May 3, 2000, as amended from time to time, under automatic route of the Reserve Bank, our Company is not required to make an application for Issue of Equity Shares to NRIs/FIIs with repatriation benefits. However, the allotment/transfer of the Equity shares to NRIs/FIIs shall be subject to the prevailing RBI Guidelines.

OTHER REGULATORY AND STATUTORY DISCLOSURES***Listing Status***

The Equity Shares of our Company are listed and actively trading on SME platform of National Stock Exchange of India Limited namely NSE EMERGE with effect from September 03, 2018.

Now, our Company is proposing for listing and trading through migration of specified securities [equity shares] of our Company from SME platform of National Stock Exchange of India Limited namely NSE EMERGE to the Main Board of National Stock Exchange of India Limited namely NSE. Such admission for listing and trading will be subject to fulfillment by our Company of listing criteria of NSE for such issues and also subject to such other terms and conditions as may be prescribed by NSE at the time of application by the Company seeking listing.

Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria of SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009 do not become applicable. The Company is simultaneously seeking exemption from compliance with Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 under Rule 19(7) of Securities Contracts (Regulation) Rules, 1957 from SEBI.

The Company has submitted this Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to NSE for making this Information Memorandum available to public through their websites viz. www.nseindia.com. The Company has made this Information Memorandum available on its website viz. www.dangeedums.com

Prohibition by SEBI

Our Company, its Directors, its Promoters, other companies promoted by our promoters and companies with which the company's Directors are associated as Directors have not been prohibited from accessing the capital Markets under any order or direction passed by the SEBI.

None of the Directors are associated in any manner with the securities market. Association with Securities Market.

Prohibition by RBI

Our company, its Directors, its promoters, other companies promoted by our promoters and companies with which the company's Directors are associated as Directors have not been declared as willfull defaulters by RBI or any other Governmental Authorities.

Filing

This Information Memorandum are being filed with National Stock Exchange of India Limited in due compliance of applicable Regulations.

Listing

An application shall be made to NSE for listing and trading through migration of specified securities [equity shares] of our Company from SME Platform of National Stock Exchange of India Limited namely NSE EMERGE to Main Board of National Stock Exchange of India Limited namely NSE.

General Disclaimer from the Company

Our company accepts no responsibility for statement made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

Demat Credit

The company has executed agreements with NSDL and CDSL for its securities in demat form. Tripartite agreements have been signed between our Company, the Registrar and CDSL and/or NSDL.

The ISIN number allotted to our Company is **INE688Y01014**.

Mechanism For Redressal Of Investor Grievances

The Company has appointed **M/s. Bigshare Services Pvt. Ltd.** as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be fifteen business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Disposal Of Investor Grievances By Our Company

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 15 (Fifteen) Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Shareholders/ Investors Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on June 30, 2018. For further details, please refer to the chapter titled ***Our Management*** of this Information Memorandum.

Our Company has appointed Ms. Khushboo Parikh as the Company Secretary and Compliance Officer and she may be contacted at the following address:

Ms. Khushboo Parikh

**Company Secretary &
Compliance Officer Dangee
Dums Limited**

4/A, Ketan Society,

Nr. Sardar Patel Colony, Naranpura,

Ahmedabad - 380 014, Gujarat, India.

Tel. No.: +91 79 - 27681878

Email:

cs@dangeedums.com;

Website
www.dangeedums.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account *etc.*

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Information Memorandum and hence there are no Investor Complaints as on the date of this Information Memorandum.

Changes In Auditors During The Last Three Financial Years

M/s. J. T. Shah & Co., Chartered Accountants are the Statutory Auditor from the financial year ended 31st March 2017 till the date of this Information Memorandum.

Capitalization Of Reserves Or Profits

Save and except as stated in the chapter titled “***Capital Structure***” of this Information Memorandum, our Company has not capitalized its reserves or profits at any time since inception.

Revaluation Of Assets

Our Company has not revalued its assets since incorporation.

Disclaimer Clause of NSE

As required, a copy of this Information Memorandum (IM) is being submitted to NSE.

The NSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this IM; or
- Warrant that this Company’s securities will be traded or will continue to be traded on the NSE; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed to mean that this IM has been cleared or approved by the NSE. Every person who desires to acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

SECTION VII – OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Information Memorandum) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, and also the documents for inspection referred to hereunder, may be inspected on working days between 10.00 a.m. to 5.00 p.m. at the Registered Office of our Company located at 4/A, Ketan Society, Opp. B.D. Patel House, Nr. Sardar Patel Colony, Naranpura, Ahmedabad - 380 014, Gujarat, India from date of filing the Information Memorandum with Stock Exchange.

Material Contracts

- 1) Memorandum of Understanding dated September 20, 2017, between our Company to the Lead Manager to the Issue.
- 2) Agreement dated August 23, 2017 between our Company and the Registrar to the Issue
- 3) Underwriting Agreement dated September 20, 2017, between our Company, the Lead Manager, the Market Maker and Underwriter.
- 4) Market Making Agreement dated September 20, 2017, between our Company, Lead Manager and Market Maker.
- 5) Tripartite agreement among the NSDL, our Company and the Registrar to the Issue dated December 01, 2017.
- 6) Tripartite agreement among the CDSL, our Company and the Registrar to the Issue dated November 3, 2017.
- 7) Public Issue Account Agreement dated August 08, 2018 signed between our Company, the Lead Manager, Banker(s) to the Issue/ Escrow Collection Bank(s) and the Registrar to the Issue.

Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Copy of resolution passed at the meeting of the Board of Directors of our Company dated May 15, 2018, authorizing the Fresh Issue of Equity Shares.
- 3) Copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated June 08, 2018 authorizing the Fresh Issue of Equity Shares.
- 4) Copy of resolution passed at the Board Meeting held on September 01, 2017 for fixing the term of appointment and the remuneration of Mr. Nikul Jagdishchandra Patel, Managing Director.
- 5) Copy of Certificate from the Auditors of the Company, M/s J. T. Shah & Co. Chartered Accountants dated June 11, 2018 regarding the Eligibility of the Issue.
- 6) Copy of Letter dated June 11, 2018 issued by Statutory Auditor to the Company, M/s J. T. Shah & Co, Chartered Accountants detailing the Tax Benefits.

- 7) Independent Audit Report and Restated Financial Statements for the Financial Year ended as on March 31, 2018, 2017, 2016, 2015 and 2014 of our Company, issued by the Independent Auditor to the Company (Peer Reviewed Auditor), M/s J. T. Shah & Co, Chartered Accountants dated June 11, 2018 included in the Information Memorandum.
- 8) Copies of Annual reports of the Company for the years ended March 31, 2018, 2017, 2016, 2015 and 2014.
- 9) Consents of our Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Issue, the Statutory Auditors to the Company, Peer Reviewed Auditor, the Legal Advisor to the Issue, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.
- 10) Copy of Board Resolution dated June 22, 2018 for approval of Draft Information Memorandum and dated August 09, 2018 for approval of Information Memorandum.
- 11) Copy of approval from NSE vide letter dated July 31, 2018, to use the name of NSE in this offer document for listing of Equity Shares on NSE Emerge Platform.
- 12) Legal Due diligence Report dated June 22, 2018, issued by Samvitti Legal.
- 13) Due Diligence Certificate from Lead Manager dated June 22, 2018 filed with NSE and dated August 09, 2018 filed with SEBI.

Any of the contracts or documents mentioned in the Information Memorandum may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the regulations issued by Securities and Exchange Board of India, 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 Information Memorandum is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/ guidelines issued, as the case may be. We further certify that all statements in this Information Memorandum are true and correct.

SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY**Name of the Directors****Signature****Mr. Nikul Jagdishchandra Patel****DIN No.: 01339858**

Sd/-

Mr. Ravi Hemantkumar Patel**DIN No.: 02017962**

Sd/-

Mrs. Foram Nikul Patel**DIN No.: 02017816**

Sd/-

Mr. Umang Brijmohan Saraf**DIN No.: 00510800**

Sd/-

Mr. Jayantilal Atmaram Patel**DIN No.: 03644777**

Sd/-

Mr. Janak Natverlal Parikh**DIN No.: 07930360**

Sd/-

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**Mr. Ketan Jagdishchandra Patel**

Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER**Ms. Khushboo Parikh**

Sd/-

PLACE: Ahmedabad**DATE: 24.09.2020**