

Ref-LTF/ SE/ 2023-24/

Date: 12th May, 2023

To,

The Bombay Stock Exchange (BSE Limited)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Ref. Code: 532783. Scrip ID: DAAWAT

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended 31st March, 2023 in relation to preferential allotment of equity shares.

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, read with Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed Monitoring Agency Report for the quarter ended 31st March, 2023, issued by India Ratings & Research Private Limited, the Monitoring Agency appointed to monitor the utilization of proceeds raised through preferential allotment of equity shares.

Further, we hereby confirm that there has been no deviation in the utilisation of Issue proceeds from the objects as approved by the shareholders.

You are request you to kindly take the same on your record.

Thanking you,

Yours truly,

For LT Foods Limited

Monika Chawla Jaggia
Company Secretary
Membership No. F5150

Enclosure: As above

Date: 11th May 2023

To,

LT Foods Limited

MVL-I Park, 4th Floor,

Sector 15, Part II,

Gurgaon, Haryana - 122001

Subject: Monitoring Agency Report for the quarter ended 31st March 2023 in relation to preferential allotment of equity shares.

Dear Sir,

Pursuant to Regulation 162A(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated 17th April 2023, please find enclosed herewith the Monitoring Agency Report, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of preferential allotment for the quarter ended March 31, 2023.

Request you to kindly take the same on records.

Thanking You,

For and on behalf of India Ratings & Research Private Limited



Name: Shrikant Dev



Designation: Director, Secretarial

Report of the Monitoring Agency (MA)

Name of the issuer: LT Foods Limited

For quarter ended: March 2023

Name of the Monitoring Agency: India Ratings & Research Private Limited

(a) Deviation from the objects: No Deviation from the object.

Based on the Management undertaking and as per Independent Practicing Chartered Accountant certificate dated 9th May 2023 issued by Pawan Nanak Bansal & Co., Chartered Accountants (FRN – 008953C) having UDIN 23510960BGWQFB5201* and documents provided to us.

*The reference to the Independent Practicing Chartered Accountant certificate anywhere in the MA report refers to the said certificate.

(b) *Range of Deviation*: Not Applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "*Comments of the Board of Directors*", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:



Name and designation of the Authorized Signatory: Shrikant Dev (Director, Secretarial)

1) Issuer Details:

Name of the issuer: LT Foods Limited

Names of the promoter: Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora, Mr. Surinder Kumar Arora and Mr. Ashok Kumar Arora

Industry/sector to which it belongs: FMCG.

2) Issue Details:

Issue Period: Allotment of Equity Shares done on 28th February 2023.

Type of issue (public/rights): Preferential Issue

Type of specified securities: 2,74,08,164 equity shares at a price of INR 142.23 per such equity shares.

IPO Grading, if any: Not Applicable

Issue size: INR 389.83 Crores

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?*	Yes	Management undertaking, Independent Practicing Chartered Accountant certificate, Notice to Shareholders for EGM, Bank Statement and outstanding confirmation from Banks.	Refer below note*	No Further Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	NA	NA	Not Applicable
Whether the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Independent Practicing Chartered Accountant certificate.	NA	Not Applicable
Is there any major deviation observed over the earlier monitoring agency reports?	NA	NA	NA	Not Applicable



Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Management undertaking, Independent Practicing Chartered Accountant certificate.	As per management undertaking, no Government / statutory approvals related to the object(s) are required. However, for the allotment of equity shares to the investor against the receipt of funds, CCI approval was required and the same is obtained on 14th Feb 2023.	No Further Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	NA	NA	Not Applicable
Are there any favorable events improving the viability of these object(s)?	NA	NA	NA	Not Applicable
Are there any unfavorable events affecting the viability of the object(s)?	NA	NA	NA	Not Applicable
Is there any other relevant information that may materially affect the decision making of the investors?	NA	NA	NA	Not Applicable

*There is no mention of cost against each head of the object in the notice to shareholders for EGM. The guidance note issued by BSE on 13th Dec, 2022 having reference/notice no. 20221213-47 regarding the inclusion of "Object of the issue" in case of Preferential issues (in the Explanatory statement to the notice to the shareholders) under Chapter V and VI of SEBI (ICDR) Regulations, 2018, is not applicable to the issuer as the approval of the preferential issue by the board of directors was received prior to date of the notice.

The objects as stated in the notice to shareholders for EGM are: Further Strengthening of the Balance Sheet, To act on any organic or inorganic growth opportunities across geographies and product categories, To acquire 29.52% stake in the subsidiary – Daawat Foods Ltd. However, no funds are being utilized for organic or inorganic growth.



4) Details of object(s) to be monitored:

i. Cost of object(s)-

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) (INR Crores)*	Revised Cost (INR Crores)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Further strengthening of the Balance Sheet	Management undertaking, Independent Practicing Chartered Accountant certificate, Notice to Shareholders for EGM, , Bank account statements and WC DL loan account statements, Balance confirmation from Banks and other relevant Documents	214.00	NA	NA	NA	NA	NA
2	To act on any organic or inorganic growth opportunities across geographies and product categories		-	NA	NA	NA	NA	NA
3	To acquire 29.52% stake in the subsidiary – Daawat Foods Ltd. Post this transaction, Daawat Foods Ltd. will become a wholly owned subsidiary of LT Foods Ltd.		175.83	NA	NA	NA	NA	NA
	TOTAL		389.83					

*It reflects the actual cost incurred. There is no mention of cost against each head of the object in the notice to shareholders for EGM. The guidance note issued by BSE on 13th Dec, 2022 having reference/notice no. 20221213-47 regarding the inclusion of "Object of the issue" in case of Preferential issues (in the Explanatory statement to the notice to the shareholders) under Chapter V and VI of SEBI (ICDR) Regulations, 2018, is not applicable to the issuer as the approval of the preferential issue by the board of directors was received prior to date of the notice.



ii. Progress in the object(s) -

Sr. No.	Item Head\$	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (INR Crores)*	Amount Utilized (INR Crores)			Total Unutilized Amount (INR Crore)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Further strengthening of the Balance Sheet^	Refer Below Note^	214.00	-	214.00	214.00	-	Refer Below Note^	NA	NA
2	To act on any organic or inorganic growth opportunities across geographies and product categories	NA	-	-	-	-	-	NA	NA	NA
3	To acquire 29.52% stake in the subsidiary – Daawat Foods Ltd. #	Refer Below Note#	175.83	-	170.87	170.87	4.96	Refer Below Note#	NA	NA
	TOTAL		389.83	-	384.87	384.87	4.96			

\$Provide following details under Item Head:

(a) Name of the object(s): As stated above

(b) Brief description of the object(s): As stated above, # Post this transaction, Daawat Foods Ltd. will become a wholly owned subsidiary of LT Foods Ltd.

(c) Location of the object(s) (if applicable): NA

*It reflects the actual cost incurred. There is no mention of cost against each head of the object in the notice to shareholders for EGM. The guidance note issued by BSE on 13th Dec, 2022 having reference/notice no. 20221213-47 regarding the inclusion of "Object of the issue" in case of Preferential issues (in the Explanatory statement to the notice to the shareholders) under Chapter V and VI of SEBI (ICDR) Regulations, 2018, is not applicable to the issuer as the approval of the preferential issue by the board of directors was received prior to date of the notice.



^Further strengthening of the Balance Sheet:

Includes repayment of WCDL loan outstanding and interest thereon (INR 195.05 Crores), reduction of CC outstanding balance by transferring the funds to CC a/c's (INR 15.80 Crores) and outstanding vendor payments (INR 3.15 Crores). As per the Management undertaking and Independent Practicing Chartered Accountant certificate, this results in further strengthening of the Balance Sheet.

Source of information / certifications considered:- Management undertaking, Independent Practicing Chartered Accountant certificate, Notice to Shareholders for EGM, Bank account statements and WCDL loan account statements, Balance confirmation from Banks.

#To acquire 29.52% stake in the subsidiary – Daawat Foods Ltd:

Company has acquired 29.52% stake from United Farmers Investment Company ("UFIC") in Daawat Foods Ltd ("DFL"). The unutilized portion of INR 4.96 crores represents the TDS on the long-term capital gains of UFIC on sale of DFL stake. This has been deposited on April 26, 2023 to Income tax department.

Source of information / certifications considered:- Management undertaking, Independent Practicing Chartered Accountant certificate, Notice to Shareholders for EGM, Bank account statements, Extract of Share Purchase Agreement entered with UFIC Dated 10th Nov 22, Bank Details of the UFIC as confirmed by the banker of the UFIC vide letter dated 8th March 2020, Copy of Swift Message, Request Letter submitted to Bank by LT Foods Ltd. for clean outward remittance, Form A2, Form 15CA, Form 15 CB, Demat Account of LT Foods Limited with Religare Broking Limited for the Scrip of DFL for the period 1st Apr 2022 to 31st March 2023, Acknowledgement of Form FC TRS filed with RBI .

iii. Deployment of unutilized IPO proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
Not Applicable						

The unutilized amount of INR 4.96 Crores as on 31st March 2023 is not invested in any instruments but lying in the bank accounts of the issuer as on 31st March 2023.



iv. Delay in implementation of the object(s)

Object(s)	Completion Date		Delay (no. of days/months)	Comments of the Board of Directors	
	As per the Offer Document #	Actual*		Reason of Delay	Proposed Course of action
Not Applicable					

* In case of continuing object(s), please specify latest/revised estimate of the completion date.

There is no mention of completion date/timelines for the achievement of the object in the notice to shareholders for EGM. The guidance note issued by BSE on 13th Dec, 2022 having reference/notice no. 20221213-47 regarding the inclusion of "Object of the issue" in case of Preferential issues (in the Explanatory statement to the notice to the shareholders) under Chapter V and VI of SEBI (ICDR) Regulations, 2018, is not applicable to the issuer as the approval of the preferential issue by the board of directors was received prior to date of the notice.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No.	Item Head	Amount (INR Crores)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Not Applicable					



Disclaimers:

The MA Report is prepared by India Ratings. India Ratings has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable.

India Ratings declare that the MA Report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018. This declaration forms part of and applies to each MA Report that is issued by India Ratings. The MA Report does not constitute an offer of services. Access or use of any MA Report does not create a client relationship between India Ratings and the Applicant or between India Ratings and User of the report.

This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments.

Please note that the information presented in the MA Report is based solely on the review of the requisite information, documents, papers, statements received from the Company with regard to the use of the Issue Proceeds including the status of implementation of the activities proposed to be funded out of the Issue proceeds as stated in the Prospectus. India Ratings has not verified any source of information such as invoices, ledgers or payment receipts and other documents either in normal course or in case of deviations from the objects, as the same is the duty of the management and the statutory auditors. India Ratings has relied in good faith and without any liability, upon the contents thereof. The user of the MA Report should understand that India Ratings does not perform an audit and undertakes no independent verification of any information/certifications/statements it receives from auditors, lawyers, chartered engineers or other experts, and relies on in its reports. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings. In issuing the MA Report, India Ratings may rely on the representations and certifications from the issuer and experts, including statutory auditors with respect to financial statements, attorneys with respect to legal and tax matters and other entities considered reliable by India Ratings. The Company shall be solely responsible and liable for any omission, commission, errors and misrepresentations in the contents of the Information provided to India Ratings. India Ratings disclaims any liability arising out of the contents of the information provided by the Company and in no event shall be held liable to anyone for any damages or claims arising out of such information.

India Ratings may rate the Company or any debt instruments or facilities issued or proposed to be issued by the Company that is subject matter of the MA Report.

As India Ratings have only acted in the capacity of a monitoring agency, the MA Report does not, in any way, constitute an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner and does not include any qualitative and quantitative assessment of the probability of default on payment of interest and principal on a debt instrument. The content of the MA Report does not constitute any recommendation to buy, hold or sell any securities. The MA Report does not comment on the quality of the objects of the issue, reasonableness of costs or spending by the issuer against any objects / heads or assurance on outcome of such spending, the adequacy of market price or market liquidity, suitability of any security for an investor. The MA Report does not provide to any party any financial advice, or legal, auditing, accounting, appraisal, valuation or actuarial services and should not be viewed as a replacement for such advice or services.



The issuance of the MA Report by India Ratings shall not constitute consent by the agency to use its name as an expert in connection with any registration statement, offering document or other filings under any relevant securities laws.

India Ratings is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. It is issuing the MA Report solely in the capacity of a monitoring agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and others.

