

This is only an announcement for information purposes and not for publication, distribution or release directly or indirectly outside India. This is not a prospectus announcement. Unless otherwise specified, all capitalized terms used and not defined herein shall have the meaning assigned to them in the Draft Letter of Offer dated February 26, 2024 (the "Draft Letter of Offer" or "DLOF") filed with the Stock Exchange i.e. NSE & BSE Limited.

INTEGRA ESSENTIA LIMITED

Our Company was incorporated as "Five Star Mercantile Private Limited" on August 6, 2007 as a private limited company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Five Star Mercantile Limited" on January 3, 2012 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai. Further, our Company entered into a Composite Scheme of Arrangement and Amalgamation with a division of Morarjee Textiles Limited, approved by the Hon'ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to "Integra Garments and Textiles Limited" and a fresh Certificate of Incorporation was issued on August 2, 2012 by the Registrar of Companies, Mumbai. Further, the name of the Company was changed to "Integra Essentia Limited" on February 16, 2022 and a fresh Certificate of Incorporation was issued on February 16, 2022 by the Registrar of Companies, Mumbai. For further details of change in name and registered office of our Company, please refer to "**General Information**" beginning on page 43 of Draft Letter of Offer.

Corporate Identity Number: L74110DL2007PLC396238

Registered Office: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, Delhi, India - 110034

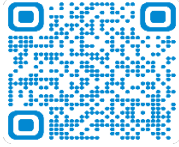
Telephone: +91 80762 00456, 76692253-10/11 | **E-mail id:** csigl2021@gmail.com; cs@integraessentia.com

Website: www.integraessentia.com; **Contact Person:** Pankaj Kumar Sharma, Company Secretary & Compliance Officer

PROMOTER OF OUR COMPANY: VISHESH GUPTA		
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF INTEGRA ESSENTIA LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY		
NEITHER OUR COMPANY NOR OUR PROMOTER HAS BEEN DECLARED AS A WILFUL DEFAULTER OR A FRAUDULENT BORROWER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY		
<p>ISSUE OF UP TO [●] FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹4995 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●] (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 192 OF DRAFT LETTER OF OFFER.</p> <p><i># Assuming full subscription.</i></p>		
<p>Potential Bidders may note that the Company has, in consultation with the stock exchange(s), decided to make certain updation in the Cover Page and sections titled "Objects of the Issue" and "Risk Factors". Accordingly, the DLOF, Cover Page including the sections titled "Objects of the Issue" on pages 53-58 and "Risk Factors" on pages 24, 26 and 32 of the DLOF shall stand updated. Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the relevant portions of the DLOF updated as mentioned above have been included in this Addendum.</p> <p>The above changes are to be read in conjunction with the DLOF dated February 26, 2024 and accordingly their references in the DLOF stand amended pursuant to this Addendum. The information in this Addendum supplements the DLOF and updates the information in the DLOF, as applicable. Please note that the information included in the DLOF, including to the extent stated in this Addendum, will be suitably updated, as may be applicable in the Letter of Offer, as and when filed with the RoC and the Stock Exchanges. Investors should read the Letter of Offer as and when filed with the RoC and the Stock Exchanges before making an investment decision in the Offer. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Letter of Offer. This Addendum is also available at the website of company i.e. https://www.integraessentia.com/investor-relations/rights-issue-main/rights-issue/</p> <p>The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the United States Securities Act of 1933 ("Securities Act") and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States.</p>		
<p>On behalf of Integra Essentia Limited</p> <p style="text-align: right;">Sd/- Pankaj Kumar Sharma Company Secretary & Compliance Officer</p>		
ADVISOR TO THE ISSUE	MERCHANT BANKER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p>Hexaxis Advisors Limited CIN: U74999DL2019PLC357568 40 RPS, Sheikh Sarai, Phase-I, New Delhi, South Delhi - 110017 Telephone: 011-40503037 Email: mail@hexaxis.in Investor Grievance e-mail id: Pankaj@hexaxis.in Contact Person: Mr. Pankaj Gupta Website: www.hexaxis.in</p>	 <p>Fast Track Finsec Private Limited V 116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001, Telephone: 011-43029809; Website: www.ffinsec.com Email: Vikasverma@ftfinsec.com SEBI Registration No.: INM000012500 CIN: U65191DL2010PTC200381 Contact Person: Mr. Vikas Kumar Verma</p>	 <p>Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Telephone: 011-40450193/97 Email: admin@skylinerta.com, Website: www.skylinerta.com Investor grievance e-mail: investors@skylinerta.com Contact Person: Mr. Anuj Rana SEBI Registration No.: INR000003241 Validity of Registration: Permanent</p>
ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATIONS*	ISSUE CLOSES ON#
[●]	[●]	[●]

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DRAFT LETTER OF OFFER
February 26, 2024
For Eligible Equity Shareholders only

INTEGRA ESSENTIA LIMITED

Our Company was incorporated as "Five Star Mercantile Private Limited" on August 6, 2007 as a private limited company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Five Star Mercantile Limited" on January 3, 2012 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai. Further, our Company entered into a Composite Scheme of Arrangement and Amalgamation with a division of Morarjee Textiles Limited, approved by the Hon'ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to "Integra Garments and Textiles Limited" and a fresh Certificate of Incorporation was issued on August 2, 2012 by the Registrar of Companies, Mumbai. Further, the name of the Company was changed to "Integra Essentia Limited" on February 16, 2022 and a fresh Certificate of Incorporation was issued on February 16, 2022 by the Registrar of Companies, Mumbai. For further details of change in name and registered office of our Company, please refer to "General Information" beginning on page 43 of this Draft Letter of Offer.

Corporate Identity Number: L74110DL2007PLC396238
Registered Office: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, Delhi, India - 110034
Telephone: +91 80762 00456, 76692253-10/11 | **E-mail id:** csig12021@gmail.com; cs@integraessentia.com
Website: www.integraessentia.com; **Contact Person:** Pankaj Kumar Sharma, Company Secretary & Compliance Officer

PROMOTER OF OUR COMPANY: VISHESH GUPTA*		
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF INTEGRA ESSENTIA LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY		
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# Assuming full subscription.		
GENERAL RISKS		
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 20 of this Draft Letter of Offer before making an investment in this Issue.		
ISSUER'S ABSOLUTE RESPONSIBILITY		
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respects.		
LISTING		
The existing Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together, the "Stock Exchanges"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letters dated [●] and [●] respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.		
ADVISOR TO THE ISSUE	LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 Hexaxis Advisors Limited CIN: U74999DL2019PLC357568 40 RPS, Sheikh Sarai, Phase-1, New Delhi, South Delhi - 110017 Telephone: 011-40503037 Email: mail@hexaxis.in Investor Grievance e-mail id: Pankaj@hexaxis.in Contact Person: Mr. Pankaj Gupta Website: www.hexaxis.in	 Fast Track Finsec Private Limited Office no. V 116, 1st Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001, Telephone: 011-43029809 Website: www.ftfinsec.com Email: mb@ftfinsec.com SEBI Registration No.: INM000012500 CIN: U65191DL2010PTC200381 Contact Person: Ms. Sakshi / Ms. Shefali	 Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Telephone: 011-40450193/97 Email: admin@skynlinter.com , Website: www.skynlinter.com Investor grievance e-mail: investors@skynlinter.com Contact Person: Mr. Anuj Rana SEBI Registration No.: INR000003241 Validity of Registration: Permanent
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[●]	[●]	[●]

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

*Company has already filed an application for Promoter Reclassification with BSE & NSE for its erstwhile promoters. Approval for the same is still pending.

OBJECTS OF THE ISSUE

The Issue comprises of an issue of up to [●] Equity Shares, aggregating up to ₹ 4,995 lakhs by our Company. For details see "*The Issue*" beginning on page 41 of this Draft Letter of Offer.

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects: The objects of the issue are:

1. To meet working capital requirements of our Company; and
2. General Corporate Purposes.

(Collectively, referred to hereinafter as the "**Objects**")

We intend to utilize the gross proceeds raised through the Issue (the "**Issue Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") for the abovementioned Objects

The main Object Clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the Object Clause of our Memorandum of Association.

The details of objects of the Issue

Particulars	Amount (in lakhs)
Gross proceeds from the Issue	4,995.00*
Less: Issue related expenses	115.00
Net Proceeds of the Issue	4880.00

**The issue size will not exceed ₹ 4995.00 lakhs if there is any deduction on account of or at the time of finalisation of issue price and Rights Entitlements Ratio the same will be adjusted against the amount for General Corporate Purpose. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.*

Requirement of Funds:

The intended use of the Net Proceeds of the Issue is as under: -

S. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	Meeting Working Capital Requirements*	3,660.00
2.	General Corporate Purposes	1,220.00
3.	Issue related expenses	115.00
	Total	4,995.00

* to be used in various business segments working capital requirement with full fungibility

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Utilization of Net Proceeds

S. No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	Meeting Working Capital Requirements	3,660.00
2.	General Corporate Purposes	1,220.00
	Total	4,880.00

Details of the Objects of the Issue

The details in relation to objects of the Issue are set forth herein below.

1. Meeting Working Capital Requirements

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, however this time to strengthen the margins and financials strength of the Company we proposes to part fund the Working Capital Requirements from the net proceeds of proposed Right Issue as details herein below:

(₹ in lakhs)

No.	Particulars	Total estimated amount to be utilized (₹ in lakhs)
1.	Meeting Working Capital Requirements	3,660.00

We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The details of Working Capital Requirement is as under:

(₹ in lakhs)

S. No.	Particulars	As at	As at	As at	As at	As at	As at
		March 31, 2021	March 31, 2022	March 31, 2023	December 31, 2023	March 31, 2024	March 31, 2025
		Restated	Restated	Restated	Restated	Estimated	Projected
A	Current Assets						
	a) Inventories	-	-	-	-	100.00	3250.00
	b) Trade receivables	0	789.7	1034.79	3208.79	3100.00	6665.00
	c) Cash & cash equivalents	5.78	44.07	556.42	377.98	425.00	670.00
	d) Other Assets	0.14	853.86	3170.57	2228.28	2430.00	3200.00
	Sub-total (A)	5.92	1687.64	4761.79	5815.04	6055.00	13785.00
B	Current Liabilities						
	a) Borrowings	2859.3	2872.03	3445.6	644.37	650.00	650.00
	b) Trade Payables	2.12	1442.61	2408.25	4861.71	3700.00	4300.00
	c) Other current Liabilities	171.4	281.95	2699.37	1774.38	1620.00	1640.00
		3032.83	4596.59	8553.22	7280.47	5970.00	6590.00
	Less: Liabilities towards Debentures Issued for Long term period.	3008.39	3006.50	3010.86	-	-	-
	Sub-total	24.43	1590.09	5542.36	7280.46	5970.00	6590.00
C	Net Working Capital (A-B)	(18.51)	97.54	(780.58)	(1465.41)	85.00	7195.00
D	Working Capital Gap						7110.00[^]
	Funding Pattern						
	Funding through Internal Accruals/Other Borrowings		97.54 [§]			85.00 [§]	3450.00
	Working Capital funding through Rights Issue proceeds to be utilized						3660.00

*Details as Per Restated Standalone Balance Sheet

[§]Being in largely in trading activities, historically, our net working capital have been negative, however in FY21-22 we had positive Net Working Capital of Rs. 97.54 Lakhs, which were funded through the internal accruals (PAT of FY21-22 was Rs. 108.83 Lakhs). Also, 85.00 Lakhs of the FY23-24 is also funded through the internal accruals of the company.

[^]Further, for FY24-25, with the change in business from trading to winery business, we are estimating net working capital of Rs. 71.10 Crore, and out of which Rs. 36.60 Crores shall be founded through the proceeds of the proposed Rights Issue, and remaining amount of Rs. 34.50 Crores shall be funded/met by the Company from its own funds (without borrowings).

Assumptions of working capital requirements and their justification

To expand its business, strengthen its supply chain, and as a part of its pre-defined long-term business growth strategy and to strengthen its presence in entire supply chain spectrum of consumable goods, the Company acquired assets of CHATEAU INDAGE Winery situated in Narayangaon, Maharashtra, a strategic location having optimum climate for grape cultivation, known for its world-class high-quality grapes and has entered into **WINERY BUSINESS**.

The facilities acquired comprises the following:

- (a) Winery Land of 58,612 square metres
- (b) Winery Buildings of 16,629 square metres RCC, fully insulated, and
- (c) Winery Equipment, including
 - 60 lakh litres stainless steel storage,
 - 4 bottling lines,
 - 2 crushers/pressers,
 - online cold stabilization and filtration etc.

The facility is surrounded by thousands of acres of planted vineyards, which 'll enable the Company to have easy access to quality grapes, perfectly ripened harvest to release the juices through crushing in its purchased processing units, winery to be run either individually or in a joint venture with some other industry player.

These facilities have capabilities of\

- 90 Tonnes of Crushing and Pressing per hour,
- filtration capacity of 12,500 litres per hours,
- Cold Stabilization capacity of 5,850 litres per hour
- 63,40,820 litres tank storage and
- 27,08,000 litres finished and semi-finished wines in bottles.

Hence, **working capital requirements of the company for FY25 and subsequent years have been estimated after considering the winery operations, which necessitate the need to keep sufficient stock to maintain smooth supplies across the seasons, extend longer and relaxed credit terms to its customers, and keep adequate provisions for overheads etc.**

Inventory Days:

In Winery Business, harvesting season starts in November/December and goes upto March of the subsequent year, February to April is planned for Processing and Fermentation, post that Blending commences, then ageing in production Barrales, Stabilization and Filtration comes, and then comes bottling and labelling.

This is a long-time sensitive process and as such requires at least 4 months inventories holding period, followed in the entire industry, though we are having some ready stock and targeting only local operations, we estimated **average 60 days inventory holding levels** (30 days in form of inventory and 30 days as other process materials) which is considering the levels of operations projected and business model adopted, are reasonable and justified.

Receivables/Debtors days:

With addition of new business activity explained herein above, to penetrate into the market, the Company need to extend credit/relaxed payment terms, has to fund the transit period, that will result into increase in debtors' days going forward.

And accordingly, we have estimated **debtors' levels at 44 days and 62 days in our projected financials for financial year 2023-2024 and 2024-25 respectively**, which is with the increased estimated levels of operations, and new business activity, generally accepted credit trends of winery industry trends and prevailing payment terms in the market are justified.

Trade Payables Days:

Whereas on supply side every business has limited suppliers who extend credits, but they generally keep upper cap of supplying goods on credit (both in terms of amount and period), so creditors in terms of days does not increase in proportion of the increase in scale of operations.

Though, Trade Payables days have been very high in recent past, but with the change in company's business and ongoing discussions for vendors, wherein it would be more beneficial to buy on cash/lesser credit period (as the same would ensure uninterrupted supplies, on finer pricing) we have estimated **creditor days at 57 days for financial year 2023-24 and 45 days in financial year 2024-25.**

Short-Term Loans & Advances and Other Current Assets:

Short Term Loans and advances includes advances to suppliers and advance to employees. We expect Short Term Loans and Advances to increase commensurate with the business volumes, to ensure uninterrupted availability of resources and cost effectiveness. Similarly, Other current assets, includes GST (ITC Balance), Income Tax Refund Receivables, Prepaid Expenses, shall increase in line with the volume of business.

Assumption of Holding Period

The estimates of the working capital requirements for the Financial Years ended March 31, 2024 and March 31, 2025 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

The table below sets forth the details of holding levels (in days) for Fiscal 2023, and Fiscal 2022 on the basis of audited financial statements and the estimated holding levels (in days) for the Fiscal 2024 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors:

S.No	Particulars	Number of Days for the year ended				
		March 31, 2021 (Actual)	March 31, 2022 (Actual)	March 31, 2023 (Actual)	March 31, 2024 (Estimated)	March 31, 2025 (Projected)
1.	Trade receivables	0	42	15	44	62
2.	Cash & cash equivalents	0	2	8	6	6
3.	Other current assets	0	45	47	34	30
4.	Inventories and Contract assets	0	0	0	1	30
5.	Trade payables	0	78	37	57	45
6.	Other current liabilities	0	6	38	23	15

2. General Corporate Purpose

We intend to deploy ₹1220 Lakhs from gross proceeds of the Rights Issue towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize issue proceeds include but not restricted to entering into brand building exercises and strengthening our marketing capabilities, general maintenance, partnerships, tie-ups or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by our Board of Directors, however utilization of the proceeds earmarked for general corporate purposes will be done in compliance with all applicable laws and regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

3. Expenses for the issue

The Issue related expenses consist of fees payable to Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchanges. Our Company will need approximately ₹[●] lakhs towards these expenses, a break-up of the same is as follows:

Activity	Estimated Expense	% of Total Expenses	(₹ in lakhs)
			As a % of Issue size
Fees payable to the intermediaries (including Legal Counsel fees, selling commission, registrar fees and expenses)	[●]	[●]	[●]
Advertising, Printing, stationery and distribution Expenses	[●]	[●]	[●]
Statutory and other Miscellaneous Expenses	[●]	[●]	[●]
Total	115.00	100%	2%

Appraisal

None of the Objects of the Issue have been appraised by any bank or financial institution.

Schedule of Implementation and Deployment of Funds

As estimated by our management, the entire proceeds received from the issue would be utilized during FY 2024-25.

Deployment of Funds towards the Objects of the Issue

We have incurred 78.50 Lakhs up to February 26, 2024 towards the Objects of the Issue which has been certified by A K Bhargav & Co., vide his certificate dated February 26, 2024. The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

Monitoring of Utilization of Funds

Since the proceeds from the Issue are less than ₹10,000 lakhs, in terms of Regulation 41(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI Listing Regulation, the Rights Issue Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Clause 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Clause 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

Interim Use of Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds subject to the compliance of applicable laws and regulations. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

Interest of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue

Our Promoters, Promoter Group and Directors do not have any interest in the objects of the Issue.

Clause for Promoter Subscription

Our Promoter and Promoter Group, (the "Promoter and Promoter Group Letters"), have confirmed to

- (i) subscribe to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of any other member(s) of the Promoter and Promoter Group);
- (ii) also subscribe to Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other member(s) of the Promoter and Promoter group; and
- (iii) in the event of any under-subscription of the Issue, to subscribe to additional Rights Equity Shares to the extent of at least minimum subscription of the Issue Size, subject to compliance with the minimum public shareholding as prescribed under the Securities Contracts (Regulation) Rules, 1957.

Any acquisition of Rights Equity Shares by Promoter & Promoter Group of the Company, over and above their Rights Entitlements, as applicable, or subscription to any unsubscribed portion of this Issue will not result in a change or control of the management of the Company and will not result in non-compliance or violation of any applicable laws.

Strategic or financial partners

There are no strategic or financial partners attributed to the Objects of the Issue.

Variation in objects

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

Key Industry Regulations for the objects of the issue

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Other Confirmations

Except as disclosed above, there are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration our directors, or Key Managerial Personnel. Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

RISK FACTORS

The chapter titled “Risk Factors” beginning from page 20 of the DLOF, shall amended as follows:

- A. The Risk Factor 11 included in the section titled ‘Risk Factors’ on page 24 in the Draft Letter of Offer shall be updated as follows:

Our business requires us to obtain and renew certain registrations, licenses and permits from the Government and regulatory authorities and any failure to obtain and renew them in a timely manner may adversely affect our business operations.

“Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to obtain and renew such registrations and approvals within statutory time frame may attracts non-compliance. Further, such non-compliance may result in penalty/fine against our Company and the Directors, and such actions may directly affect our revenues, profits and operations.”

- B. The Risk Factor 19 included in the section titled ‘Risk Factors’ on page 26 in the Draft Letter of Offer shall be updated as follows:

We have in the past entered into related party transactions and may do so in the future. We cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

We have entered into various transactions with related parties in compliance to all applicable provisions of Companies Act, 2013 and all other applicable laws. While we believe that all such transactions have been conducted on an arm’s length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transactions, individually or in the aggregate will not have an adverse effect on our business, results of operations, cash flows and financial condition resulting from potential conflict of interest or otherwise.

- C. The Risk Factor 21 included in the section titled ‘Risk Factors’ on page 26 in the Draft Letter of Offer shall be deleted:

~~*Non-compliance with and changes in, safety, health, labour and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition. If we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.*~~

~~Our operations including manufacturing activities undertaken by our third party manufacturers are subject to extensive laws and government regulations, including in relation to safety, health and environmental protection. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities. We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wages and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits and maintenance of regulatory and statutory records and making periodic payments.~~

In addition, we are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we have applied and

require to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion of company from private to public Company and change in address in registered office of the Company. 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.

~~These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty.~~

- D. The Risk Factor 37 included in the section titled ‘Risk Factors’ on page 32 in the Draft Letter of Offer shall be updated as follows:**

We have not obtained the insurance coverage to protect against any business risks and this may have an adverse effect on the business operations.

Operations in our business carry inherent risks of personal injury, damage to or destruction of property, plant and equipment and damage to the environment, and are subject to risks such as fire, theft, flood, earthquakes and terrorism. However, we have not obtained any insurance coverage and are in the process of obtaining the same. The occurrence of any event for which we are not insured, could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

However, with changed business environment, we are contemplating to take adequate insurance cover, and the same shall be taken in due course after ascertaining the exact needs and exploring the competitive quotes available in the market.

- E. The Risk Factor 38 included in the section titled ‘Risk Factors’ on page 32 in the Draft Letter of Offer shall be deleted:**

~~*In addition to normal remuneration, other benefits and reimbursement of expenses some of our Promoter, Vishesh Gupta is interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*~~

~~Our Promoter, Vishesh Gupta is interested in our Company to the extent of his shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Promoter Director would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoter Director 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. Our Promoter Director 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 Promoter Director will always act to resolve any conflicts of interest in our favour, thereby affecting our business and results of operations and prospects.~~

- F. The Risk Factor 39 included in the section titled ‘Risk Factors’ on page 32 in the Draft Letter of Offer shall be updated as follows:**

Our funding requirements and deployment of the issue proceeds are based on management estimates and actual cost may vary compared with the estimated amount.

Our funding requirement and deployment of the proceeds of the issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by banks or financial institutions and are based on our estimates. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change as a result of various factors which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the working capital limits maintained from time to time at the discretion of our board. In addition, schedule of implementation as described herein are based on the management’s current expectations and are subject to change due to various factors some of which may not be in our control.

- G. The Risk Factor 40 included in the section titled ‘Risk Factors’ on page 32 in the Draft Letter of Offer shall be updated as follows:**

Certain Agreements, deeds or licenses may be in the previous name of the company.

Revised: Our certain agreements, deeds or licenses may be in the name of the erstwhile names of the company. In case we fail to change the name in the agreements, deeds or licenses it may cause adverse effect on Our Company’s business & operations. However, our current name i.e., Integra Essentia Limited was approved on February 16, 2022, all the Agreement/ deeds / Licences, signed before this date has been executed with the erstwhile name of the company. Also, there is no application filed for any further name change of the company.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum to the Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Addendum to the Draft Letter of Offer are true and correct.

for Integra Essentia Limited

Pankaj Kumar Sharma
Company Secretary & Compliance Officer