



RefNo.: PSL/2020-21/CS/SE/16

Date: 17th June, 2020

To, Listing Department National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (E), Mumbai -400 051 Symbol: DIAMONDYD	To, Corporate Relationship Department BSE Limited P.J. Towers, Dalal Street Mumbai- 400 001 Security Code: 540724 Security ID : DIAMONDYD
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Sub: Statement of deviation / variation – Proceeds of Initial Public Offer (IPO)

Dear Sir/Madam,

Pursuant to Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Statement of deviation / variation in the use of proceeds for objects as stated in the Prospectus dated 27th September, 2017 of Initial Public Offer (IPO) for the quarter ended 31st March, 2020.

The aforesaid Statement has been reviewed by the Audit Committee and taken on record by the Board at their respective Meetings held on 17th June, 2020.

This is for your information and records.

Thanking you,

Yours faithfully,

For Prataap Snacks Limited

Om Prakash Pandey

Company Secretary & Compliance Officer

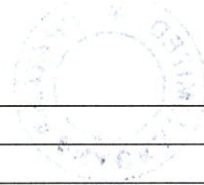


Encl: As above

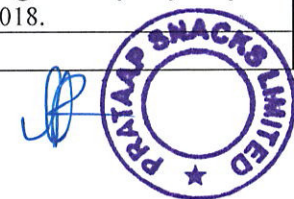
Prataap Snacks Limited
(Formerly known as Prataap Snacks Pvt. Ltd.)

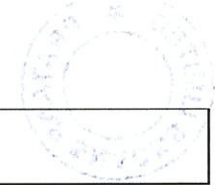
Office : Khasra No. 378/2, 378/1/4, Nemawar Road, Near Makrand House, Gram : Palda, Dist. : Indore (M.P.) India
Phone : ++91-731-2437600, 2437602-10 E-mail : info@yellowdiamond.in

CIN No. L15311MP2009PLC021746



Statement of Deviation / Variation in utilisation of funds raised	
Name of listed entity	Prataap Snacks Limited
Mode of Fund Raising	Public Issue
Date of Raising Funds	5 th October, 2017
Amount Raised (Net of issue expenses)	Rs. 18747.89 Lakhs
Report filed for Quarter ended	31 st March, 2020
Monitoring Agency	Applicable
Monitoring Agency Name, if applicable	HDFC Bank Limited
Is there a Deviation / Variation in use of funds raised	Yes
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Yes
If Yes, Date of shareholder Approval	28 th September, 2018
Explanation for the Deviation / Variation	<p>The shareholders approved the use of amount earmarked for expansion of Chips facility and Construction of related building at Indore plant which was forming part of Funding capital expenditure requirements in the below table, for acquisition of Avadh Snacks Private Limited.</p> <p>Explanation for the Deviation / Variation as per explanatory statement of the Notice of the Annual General Meeting of the Company held on 28th September, 2018:</p> <p>The Company has entered into agreement with the three job workers for manufacturing of Potato Chips located at Kolkata, Bengaluru and Ahmedabad post filling of the prospectus. These decentralized manufacturing facilities will help our Company to respond the demand in faster way by optimizing the logistics cost and hence our Company does not require to expand the potato chips manufacturing facility at Indore. Further as the expansion plan of potato chips facility at Indore is being dropped, the related building is also not required to be constructed.</p> <p>Gujarat is one of the biggest salty snacks market in India therefore, this is one of the most important markets where our Company would like to build a presence. Avadh Snacks Private Limited has started manufacturing and selling of branded packaged snacks under brand name "Avadh" in 2010 and today has a well-diversified and strong product portfolio for namkeens like bhujia, chevda, fafda, gathiya, etc. and extruded pellets like wheels, cups, pasta, etc. with strong presence in the state of Gujarat and now expanding to Maharashtra and Rajasthan. The product bouquet of our Company and Avadh are complementary and will create a balanced portfolio with a mix of regional and national flavours & variants across categories. The acquisition will also lead to a significant synergy in distribution across Gujarat and neighbouring market.</p> <p>Post variation, the amount to be utilised for the objects for which the Prospectus was issued will not be less than seventy five percent of the amount raised.</p>
Comments of the Audit Committee after review	The Audit Committee reviewed the Statement of Deviation/Variation in utilisation of funds raised through Initial Public Offer (IPO), for the quarter ended 31 st March, 2020, as placed before its Meeting held on 17 th June, 2020 and noted that aforesaid Statement stating deviation of Rs. 3952.00 lakhs in the utilisation of IPO proceeds for the objects as stated in the Prospectus and the actual utilisation is as per the approval of the shareholders granted by way of special resolution passed in the Annual General Meeting of the Company held on 28 th September, 2018.
Comments of the auditors, if any	Nil

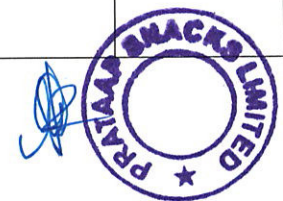




Objects for which funds have been raised and where there has been a deviation, in the following table

Amount (Rs. in lakhs)

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised (as on 31 st March, 2020)	Amount of Deviation / Variation for the quarter according to applicable object	Remarks if any																		
Repayment/pre-payment in full or part of certain loans availed by the Company.	--	1298.20	--	1298.20	--	--																		
Funding capital expenditure requirements in relation to expansion (including through setting up of a new production line and construction of building) and modernization at certain of our existing manufacturing facilities.	--	6699.80	2747.80	1,792.82	--	<p>The Company has dropped the utilisation of funds for the items mentioned below, which were forming part of object "Funding capital expenditure requirements in relation to expansion (including through setting up of a new production line and construction of a building) and modernisation at certain of our existing manufacturing facilities.</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Particulars</th> <th>Amount (Rs. in lakhs)</th> </tr> </thead> <tbody> <tr> <td colspan="3">A. Chips</td> </tr> <tr> <td>1.</td> <td>Expansion through setting up of new production line, packaging line and purchase of related utilities and ancillary equipment / machinery at our manufacturing facility at Indore.</td> <td>3451.00</td> </tr> <tr> <td colspan="3">B. Building</td> </tr> <tr> <td>1.</td> <td>Construction of building for storage of raw materials, packaging materials and finished goods at our manufacturing facility at Indore.</td> <td>501.00</td> </tr> <tr> <td colspan="2">Total (A+B)</td> <td>3952.00</td> </tr> </tbody> </table>	Sr. No.	Particulars	Amount (Rs. in lakhs)	A. Chips			1.	Expansion through setting up of new production line, packaging line and purchase of related utilities and ancillary equipment / machinery at our manufacturing facility at Indore.	3451.00	B. Building			1.	Construction of building for storage of raw materials, packaging materials and finished goods at our manufacturing facility at Indore.	501.00	Total (A+B)		3952.00
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Acquisition of Avadh Snacks Private Limited	--	--	3952.00	3952.00	--	Rs. 3952.00 lakhs was utilised out of Rs. 6699.80 lakhs for acquisition of Avadh Snacks Private Limited during the quarter ended 31 st December, 2018 in the financial																		



						year 2018-19 as per the aforesaid approval of shareholders granted by way of special resolution passed in the Annual General Meeting of the Company held on 28 th September, 2018.
Investment in subsidiary, Pure N Sure, for repayment /pre-payment of certain borrowings availed by our subsidiary	--	2937.00	--	2937.00	--	--
Marketing and brand building activities	--	4000.00	--	3,305.96	--	--
General Corporate Purposes	--	3812.89	--	3812.89	--	--
Total		18747.89		17,098.87	--	

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
(c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.



Name of Signatory: Om Prakash Pandey

Designation: Company Secretary & Compliance Officer

