THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLYOR INDIRECTLY OUTSIDE INDIA.

TECHNICHEM ORGANICS LIMITED

CIN: U24231GJ1996PLC028917

Our Company was originally incorporated under the name *"Technichem Organics Private Limited"* under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1996, issued by the Registrar of Companies Gujarat. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to *"Technichem Organics Limited"* vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on April 30, 2024. The fresh certificate of incorporation consequent to conversion was issued on July 4, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U24231GJ1996PLC028917.

Registered Office: 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad, Gujarat-380009, India.;
Tel No: +91-79-27543722 **E-mail:** investors@technichemorganics.com;
Website: www.technichemorganics.com ; **Contact Person**: Mr. Thakkar Parth B, Company Secretary and Compliance Officer;

THE PROMOTERS OF OUR COMPANY ARE MR. BHARAT JAYANTILAL PANDYA AND MR. PANDYA ANILKUMAR JAYANTILAL

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED AUGUST 23, 2024 NOTICE TO THE INVESTORS ("THE ADDENDUM")

INITIAL PUBLIC OFFER OF UPTO 45,90,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (**THE "EQUITY SHARES"**) OF TECHNICHEM ORGANICS LIMITED (**"OUR COMPANY" OR "TECHNICHEM" OR "THE ISSUER"**) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE **"ISSUE PRICE"**) AGGREGATING TO ₹ [●] LAKHS (**"THE ISSUE"**), OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE **"MARKET MAKER RESERVATION PORTION"**). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE **"NET ISSUE"**. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED **"TERMS OF THE ISSUE"** BEGINNING ON PAGE 279 OF THE DRAFT RED HERRING PROSPECTUS.

Potential investor may note the following:

1. The Chapter titled ***"Summary of Offer Document"*** beginning on page 23 of the Draft Red Herring Prospectus has been updated with the details of percentage of Related Party Transaction and ratio of Bonus which is 4:1
2. The Chapter titled ***"Risk Factors"*** beginning on page 30 of the Draft Red Herring Prospectus has been updated with modification of risk factor no. 22 wherein a table with details of Related party Transaction was added at the end, risk factor no. 13 shall be shifted to risk factor no 8, risk factor no. 34 shall be shifted to risk factor no. 10, risk factor no. 23 shall be shifted to risk factor no. 15, risk factor no. 51 shall be shifted to risk factor no. 18, risk factor no. 56 shall be shifted to risk factor no. 20.
3. The Chapter titled ***"Object of the Issue"*** beginning on page 89 of the Draft Red Herring Prospectus has been updated with revised estimated capacity and estimated schedule of implementation and date of sanction of loan shall be added in the table providing the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid.
4. The Chapter titled ***"Our Business"*** beginning on page 131 of the Draft Red Herring Prospectus has been updated with details of Top 1, 5 and 10 of Customers and Top 1 of Suppliers list along with percentage, company's permanent employees as of June 30, 2024 along with rate of addition for last 3 years and upto June 30, 2024.
5. The Chapter titled "***Other Regulatory and Statutory Disclosures"*** beginning on page 267 of the Draft Red Herring Prospectus has been revised with details of Net Assets and Net Tangible Asssets.

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

On behalf of **Technichem Organics Limited**
Sd/-

Mr. Bharat Jayantilal Pandya
Chairman & Managing Director

Place: Ahmedabad

Date: December 16, 2024

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SHRENI SHARES LIMITED *(Formerly Known as Shreni Shares Private Limited)* Office No. 217, Hive 67 Icon, Poisar Gymkhana Road Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai - 400067, Maharashtra, India. **Telephone:** 022 – 2089 7022 **E-mail:** shrenishares@gmail.com **Investors Grievance e-mail:** info@shreni.in **Contact Person:** Ms. Tanya Goyal **Website:** www.shreni.in **SEBI Registration Number:** INM000012759	**BIGSHARE SERVICES PRIVATE LIMITED** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali CavesRoad, Andheri East, Mumbai – 400 093, Maharashtra, India. **Tel:** 022 - 6263 8200 **E-mail:** ipo@bigshareonline.com **Investor grievance e-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Babu Rapheal C. **SEBI Registration No.:** INR000001385

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD: [●] *	BID/ISSUE OPENS ON: [●] *	BID/ISSUE CLOSES ON: [●] **

**Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBS one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION II - SUMMARY OF OFFER DOCUMENT

SUMMARY OF RELATED PARTY TRANSACTIONS

The percentage of Related Party Transaction is as follows:

(Amount Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
Total Transactions with Related Parties	287.36	199.64	174.94
Revenue from operations	4,639.11	5,035.79	6,702.06
% of RPT/Revenue from operations	6.19%	3.96%	2.61%

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

We have not issued any Equity Shares for consideration other than cash within last one year from the date of this Red Herring Prospectus except Bonus Issue of 1,01,85,000 Equity Shares of face value of ₹10/- in the ratio of 4:1 i.e., 4 Bonus equity shares for 1 Equity Shares held.

SECTION III – RISK FACTORS

Modification in risk factor no. 22(***Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders)***:

Following table shall be added in risk factor no. 22:

(Amount Rs. in Lakhs)

Particulars	31-03-24	31-03-23	31-03-22
Total Transactions with Related Parties	287.36	199.64	174.94
Revenue from operations	4,639.11	5,035.79	6,702.06
% of RPT/Revenue from operations	6.19%	3.96%	2.61%

Shift of Risk Factors:

The risk factor no. 13 (***We generate our major portion of sales from our operations in certain geographical regions especially, Gujarat, Maharashtra, Telangana and Haryana. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***) shall be shifted in the Red Herring Prospectus to the risk factor no. 8.

The risk factor no. 34 (***Our Registered Office is not owned by us are taken on rental basis. If we are unable to renew existing rental agreements or relocate our operations on commercially reasonable terms, there may be a material adverse effect on our business, financial condition, results of operations and cash flows could be adversely affected.***) shall be shifted in the Red Herring Prospectus to the risk factor no. 10.

The risk factor no. 23 (***Our existing manufacturing facility are concentrated in a single region i.e., Khambhat in the state of Gujarat and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Gujarat and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospect.***) shall be shifted in the Red Herring Prospectus to the risk factor no. 15.

The risk factor no. 51 (***Our Company logo " technichem " is not registered with Registrar of Trademark; any infringement of our brand name or failure to get it registered may adversely affect our business. Further, any kind of negative publicity or misuse of our brand name could hamper our brand building efforts and our future growth strategy could be adversely affected.***) shall be shifted in the Red Herring Prospectus to the risk factor no. 18.

The risk factor no. 56 (***We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flow.***) shall be shifted in the Red Herring Prospectus to the risk factor no. 20.

The risk factor no. 21 (***Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business***) shall be shifted in the Red Herring Prospectus to the risk factor no. 6.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

1. Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "Plant – 4"

Estimated Capacity and Estimated Schedule of Implementation

Sr. No.	Particulars	Expected Commencement Period	Expected Completion Period
1.	Land procurement	Not applicable as the proposed ***Plant –4*** is being planned on the existing land of our Khambhat Facility which is owned by our Company	
2.	Factory building (***Plant –4)***– Civil Construction	February 2025	June 2025
3.	Planning and procurement of plant and machineries	April 2025	July 2025
4.	Installation of plant and machineries	July 2025	August 2025
5.	Trial run	September 2025	
6.	Commencement of commercial production	October 2025	

2. Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies:

Date of section of loan shall be added in the table providing the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds.

SECTION VI – ABOUT THE COMPANY

OUR BUSINESS

REVENUE BREAK-UP

The following table illustrates the concentration of our sales among our top Customers. The Top One, Five and Ten Customers for the financial year ended March 31, 2024, 2023, 2022 is as under:

(₹ in Lakhs)

Particulars	Customers					
	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	%	Amount	%	Amount	%
Top 1	545.50	11.76%	604.88	12.01%	871.26	13.00%
Top 5	1719.19	37.06%	2101.29	41.73%	2425.59	36.19%
Top 10	2609.34	56.25%	3163.90	62.83%	3687.42	55.02%

RAW MATERIAL

The following table illustrates the concentration of our purchases among our top Suppliers:

(₹ in Lakhs)

Particulars	Suppliers					
	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	%	Amount	%	Amount	%
Top 1	223.33	8.94%	317.25	9.58%	459.02	9.27%

HUMAN RESOURCE

The breakdown of our Company's permanent employees in different functionalities as of June 30, 2024 has been provided below:

Sr. No	Department/Function	No. of Employees		
		Manufacturing Unit	Registered Office	Total
1.	Production Department	38	Nil	38
2.	Quality Control, Research & Development Department	8	Nil	8
3.	Store Department	2	Nil	2
4.	Engineering Department	12	Nil	12
5.	Purchase Department	Nil	1	1
6.	Finance, Legal & Secretarial Department	0	4	4
7.	Sales and Marketing Department	Nil	2	2
8.	HR & Administration Department	2	3	5
Total		**62**	**10**	**72**

The rate of attrition for the last three years are as follows:

Financial Year	Attrition Rate
FY 2021-22	9.52
FY 2022-23	18.87
FY 2023-24	22.39
FY 2024 till June 30, 2024	8.51

SECTION VIII – LEGAL AND OTHER INFORMATION

OTHER REGULATORY AND STATUTORY DISCLOSURES

ELIGIBILITY FOR THE ISSUE

c) The Net Tangible Assets of our Company as per the restated financials of our Company as at March 31, 2024 (last preceding full financial year) is more than Rs. 300 Lakhs as computed below:

(₹ in Lakhs)

Particulars	**FY March 31, 2024**
Net Assets	1962.04
Less: Intangible Assets	-
Net Tangible Assets	**1,962.04**

SECTION XI – OTHER INFORMATION
DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in Addendum are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- **Mr. Bharat Jayantilal Pandya** Chairman & Managing Director **DIN:** 00921775	Sd/- **Mr. Pandya Anilkumar Jayantilal** Whole Time Director **DIN:** 00921815
Sd/- **Mr. Piyush Maganlal Nathwani** Whole Time Director **DIN:** 07112017	Sd/- **Ms. Anal Ruchir Desai** Non-Executive Independent Director **DIN:** 02636329
Sd/- **Mr. Utsav Milan Shah** Non-Executive Independent Director **DIN:** 07828652	Sd/- **Ms. Jaina Mehulbhai Mehta** Non-Executive Independent Director **DIN:** 08573437

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- **Mr. Narayansingh Jaisingh Deora** Chief Financial Officer	Sd/- **Mr. Thakkar Parth B** Company Secretary and Compliance Officer

Date: December 16, 2024
Place: Ahmedabad

Draft Red Herring Prospectus
Dated: *August 23, 2024*
(This Draft Red Herring Prospectus will be updated upon filing with the ROC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

TECHNICHEM ORGANICS LIMITED
CIN: U24231GJ1996PLC028917.

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad – 380009, Gujarat, India.	N.A.	Mr. Thakkar Parth B Company Secretary and Compliance Officer	**Email:** investors@technichemorganics.com **Telephone:** +91-79-27543722	www.technichemorganics.com

THE PROMOTERS OF OUR COMPANY ARE MR. BHARAT JAYANTILAL PANDYA AND MR. PANDYA ANILKUMAR JAYANTILAL

DETAILS OF ISSUE TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

TYPE	FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue	Up to 45,90,000 Equity Shares aggregating up to [●] Lakhs	N.A.	Up to 45,90,000 Equity Shares aggregating up to [●] Lakhs	The Issue is being made in Terms of Regulation 229 (2) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Retail Individual Bidder, see *"Issue Structure"* beginning on page 288 of this Draft Red Herring Prospectus.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of Book Building Process as stated in *"Basis for Issue Price"* beginning on page 101 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the issue unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 30 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus 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 Red Herring Prospectus 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 Issued through the Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE **("BSE SME").** Our Company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Issue, the Designated Stock Exchange shall be BSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
SHRENI SHARES LIMITED *(Formerly Known as Shreni Shares Private Limited)*	Ms. Tanya Goyal	**E-mail:** shrenishares@gmail.com **Telephone:** 022 - 2089 7022

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
BIGSHARE SERVICES PVT LTD	Mr. Babu Rapheal C.	**E-mail:** ipo@bigshareonline.com **Telephone:** 022 - 6263 8200

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD: [●] *	BID/ISSUE OPENS ON: [●] *	BID/ ISSUE CLOSES ON: [●] **

**Our Company in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
***Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBS one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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Draft Red Herring Prospectus
Dated: *August 23, 2024*
(This Draft Red Herring Prospectus will be updated upon filing with the ROC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Issue

TECHNICHEM ORGANICS LIMITED

Our Company was originally incorporated under the name *"Technichem Organics Private Limited"* under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1996, issued by the Registrar of Companies Gujarat,. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to *"Technichem Organics Limited"* vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on April 30, 2024. The fresh certificate of incorporation consequent to conversion was issued on July 4, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U24231GJ1996PLC028917.

Registered Office: 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad, Gujarat-380009, India.; **Tel No:** +91-79-27543722;
E-mail: investors@technichemorganics.com ;
Website: www.technichemorganics.com ; **Contact Person**: Mr. Thakkar Parth B, Company Secretary and Compliance Officer;

THE PROMOTERS OF OUR COMPANY ARE MR. BHARAT JAYANTILAL PANDYA AND MR. PANDYA ANILKUMAR JAYANTILAL

INITIAL PUBLIC OFFER OF UPTO 45,90,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH **(THE "EQUITY SHARES")** OF TECHNICHEM ORGANICS LIMITED **("OUR COMPANY"** OR **"TECHNICHEM"** OR **"THE ISSUER"**) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE **(THE "ISSUE PRICE")** AGGREGATING TO ₹ [●] LAKHS **("THE ISSUE")**, OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE **(THE "MARKET MAKER RESERVATION PORTION")**. THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE **"NET ISSUE"**. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, [●], ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER, [●], AND ALL EDITIONS OF THE DAILY REGIONAL NEWSPAPER, [●], (WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO SME PLATFORM OF BSE **("BSE SME")**, FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least Three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of One Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Banks, as applicable.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled *"Issue Procedure"* on page 292 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in *"Basis for Issue Price"* beginning on page 101 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Bidders must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to *"Risk Factors"* on page 30 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus 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 Red Herring Prospectus 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 offered through this Draft Red Herring Prospectus are proposed to be listed on SME Platform of BSE ("BSE SME"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle Approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE ("BSE SME"). For the purpose of this Issue, the designated Stock Exchange is the BSE.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SHRENI SHARES LIMITED *(Formerly Known as Shreni Shares Private Limited)* No. 217, Hive 67 Icon, Poisar Gymkhana Road, Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai – 400067, Maharashtra, India. **Telephone:** 022 - 2089 7022 **E-mail:** shrenishares@gmail.com **Investors Grievance e-mail:** info@shreni.in **Contact Person:** Ms. Tanya Goyal **Website:** www.shreni.in **SEBI Registration Number:** INM000012759	**BIGSHARE SERVICES PRIVATE LIMITED** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali CavesRoad, Andheri East, Mumbai – 400 093, Maharashtra, India **Tel:** 022 - 6263 8200 **E-mail:** ipo@bigshareonline.com **Investor grievance e-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Babu Rapheal C. **SEBI Registration No.:** INR000001385

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUEPERIOD: [●] *	BID/ISSUE OPENS ON: [●] *	BID/ISSUE CLOSES ON: [●] **

**Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBS one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled "*Statement of Possible Tax Benefits*", "*Restated Financial Statements*", "*Outstanding Litigations and Material Developments*", "*Key Industry Regulations and Policies*" and section titled "*Main Provisions of the Articles of Association*" on page 109, 188, 255, 155 and 317 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

Term	Description
"Technichem", "TOL", "the Company", "our Company", "The Issuer" and "Technichem Organics Limited"	Technichem Organics Limited, a company incorporated in India under the Companies Act, 1956 having its Registered office at 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad, Gujaratt-380009, 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

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of Technichem Organics Limited as amended from time to time.
Audit Committee	The Audit Committee of our Company, constituted on July 19, 2024 in accordance with Section 177 of the Companies Act, 2013, as described in "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, currently being M/s. Devpura Navlakha & Co, Chartered Accounts, having their office 401, Ashok Complex, Near Gloden Triangle, Sardar Patel Stadium Road, Navrangpura, Ahmedabad, Gujarat-380014, India.
Bankers to the Company	Standard Chartered Bank
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled *"Our Management"* beginning on page 167 of this Draft Red Herring Prospectus.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Bharat Jayantilal Pandya
Chief Financial Officer/CFO	The Chief Financial Officer of our Company being Mr. Narayansingh Jaisingh Deora
CIN	Corporate Identification Number of our Company i.e. U24231GJ1996PLC028917
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 Mr. Thakkar Parth B
Corporate Identification Number / CIN	U24231GJ1996PLC028917
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each fully paid-up
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.

Term	Description
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Company	In terms of SEBI ICDR Regulations, the term "*Group Company*" includes companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled "*Our Group Company*" beginning on page 186 of this Draft Red Herring Prospectus
Independent Director(s)	Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE0ZHT01012
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled *"Our Management"* beginning on page 167 of this Draft Red Herring Prospectus
Key Performance Indicators" or "KPIs"	Key financial and operational performance indicators of our Company, as included in *"Basis for Issue Price"* beginning on page 101.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 19, 2024 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
Managing Director	The Managing Director of our Company being Mr. Bharat Jayantilal Pandya
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on July 19, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus
Non-Executive Director	A Director not being an Executive Director or is 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.
Peer Review Auditors	Auditor having a valid Peer Review certificate in our case being M/s. Mundra & Co., Chartered Accountants
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.
Promoter(s)	Shall mean promoters of our Company i.e., Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal . For further details, please refer to section titled *"Our Promoters and Promoter Group"* beginning on page 182 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled *"Our Promoters and Promoter Group"* beginning on page 182 of this Draft Red Herring Prospectus.
Registered Office	The Registered Office of our Company situated at 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad, Gujarat-380009, India.
Restated Financial Statements	Restated Financial Statements for the Financial Years ended on 2024, 2023, and 2022 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act 2013, as amended, the SEBI ICDR Regulations, as amended and the Guidance Note on "*Reports in Company Prospectuses (Revised 2019)*" issued by ICAI, as amended) which comprises the restated summary Statement of Assets & Liabilities, the restated summary Statement of Profit and Loss, the restated summary Statement of Cash Flows and restated statement of change in equity along with all the schedules, annexures and notes thereto
RoC/ Registrar of Companies	Registrar of Companies, Ahmedabad, RoC Bhavan , Opp. Rupal Park Society , Behind Ankur Bus Stop, Naranpura, Ahmedabad, Gujarat-380013, India.

Term	Description
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled *"Our Management"* beginning on page 167 of this Draft Red Herring Prospectus
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, BSE
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal.
Stakeholders Relationship Committee	The Stakeholders' Relationship Committee of our Company, constituted on July 19, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus
Whole Time Director	Whole Time Director of our Company being Mr. Piyush Maganlal Nathwani

KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on Equity Ratio	Return on equity (ROE) is a measure of financial performance
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, the issue and allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment Date	Date on which allotment is made
Allottee (s)	The successful bidder to whom the Equity Shares are being / have been allotted.
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Heering Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager

Term	Description
	will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the Book Running Lead Manager
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Form	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Draft Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]
Banker(s) to the Issue and Sponsor Bank Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in *"Issue Procedure"* on page 292 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter

Term	Description
Bid / Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper).
Bid/ Issue Period	Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of one Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Draft Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e., Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	The Book Running Lead Manager to the Issue, namely, Shreni Shares Limited *(Formerly Known as Shreni Shares Private Limited)*
Broker Centers	Broker Centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange (www.bseindia.com)
BSE SME	SME Platform of BSE (BSE SME)
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Issue Period
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account

Term	Description
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price finalised by our Company in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-Issue Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of this Draft Red Herring Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., www.bseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., www.bseindia.com
Designated Intermediaries / Collecting Agent	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the issue. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated Stock Exchange	BSE SME
DP	Depository Participant
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated August 23, 2024 issued in accordance with Section 23, 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation including any addenda or corrigenda thereto.
Eligible FPI(s)	FPI(s) that are eligible to participate in the Issue in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to purchase the Equity Shares

Term	Description
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
Equity Shares	Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.
Escrow Account	Accounts opened with the Banker to the Issue
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
IPO/ Issue/ Issue Size/ Public Issue	This Initial Public Offer of up to 45,90,000 Equity Shares for cash at an Issue Price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs
Issue Agreement	The agreement dated July 30, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per equity share.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications.
Issue Size	The Public Issue of up to 45,90,000 Equity shares of ₹10/- each at issue price of ₹ [●] per Equity share, including a premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled *"Objects of the Issue"* page 89 of this Draft Red Herring Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE

Term	Description
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of Upto [●] Equity Shares of ₹10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism. The mobile applications which may be used by UPI applicants to submit Applications using the UPI Mechanism as provided under 'Annexure A' for the SEBI number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to [●] equity Shares of ₹ 10.00 each at a price of ₹ [●] per Equity Share (the **"Issue Price"**), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/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.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Public Issue Bank	The banks which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Issue Account for collection of Application Amounts from ASBA Accounts will be opened, in this case being [●]
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.

Term	Description
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Registrar/ Registrar to the Issue/RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited
Registrar Agreement	The agreement dated July 30, 2024 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors/RIIs	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Registered Broker	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s)
Registrar and Share Transfer Agents or RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI

Term	Description
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time
SME Exchange	SME Platform of the BSE i.e.,BSE SME
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs only ASBA Forms with UPI
Sponsor Bank	Shall mean a Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI.
Syndicate Agreement	Syndicate agreement to be entered into between our Company, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Member(s)	Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue, namely[●]
Systemically Important NonBanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated [●] entered between the Underwriters, BRLM and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.

Term	Description
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, and individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), the SEBI Master Circular for Issue of Capital and Disclosure Requirements, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	Any day, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Bid / Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars

INDUSTRY RELATED TERMS

Term	Description
AAY	Antodaya Ann Yojna

Term	Description
ACC	Advanced chemical cell
AIC	Atal Incubation Centre
AIDef	AI in Defence
AIFs	Alternative Investment Funds
BOT	Build-Operate-Transfer
CAD	Current account deficit
CAGR	compound annual growth rate
CAZRI	Central Arid Zone Research Institute
CEPA	Comprehensive Partnership Agreement
CGSS	Credit Guarantee Scheme for Start-ups
CPI	Consumer Price Index
DII	Domestic Institutional Investors
DNTs	Denotified/Nomadic/SemiNomadic tribal communities
DoS	Department of Space
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
EAC	Experts' Advisory Committee
EPFO	The Employees' Provident Fund Organisation
ESDM	Electronics System Design and Manufacturing
ETPs	Effluent Treatment Plant
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FRE	First Revised Estimates
FTAs	Free Trade Agreements
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross value added
HFIs	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research
ICEA	Indian Cellular and Electronics Association
IDRCL	India Debt Resolution Co. Ltd
IISR	Indian Institute of Spices Research
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
LMT	lakh metric tonnes
MFP	Mega Food Parks
MITRA	Mega Investment Textiles Parks
MMF	man-made fibre
MoSPI	Ministry of Statistics & Programme Implementation
MoU	Memorandum of Understanding
NABARD	National Bank for Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NARCL	National Asset Reconstruction Company Ltd
Non-OPEC	Organization of the Petroleum Exporting Countries
PECF	Pondicherry Engineering College Foundation
PHH	Primary Household
PLI	production linked incentive
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
PMI	Purchasing Manager Index
PPP	Public-Private Partnership
RBI	Reserve Bank of India
SDLs	State Development Loans
SEBI	Securities and Exchange Board of India
TTDF	Telecom Technology Development Fund
USOF	Universal Service Obligation Fund
WEO	World Economic Outlook
BGs	Bank Guarantees
BSNL	Bharat Sanchar Nigam Limited
SEZ	Special Economic Zone

Term	Description
G-secs	Government Securities
YoY	year-over-year
IOT	Internet of Things
ROI	Return on Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
IIP	Index of Industrial Production
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
STT	Short-term Training
DPP	Defence Procurement Procedure
M-SIPS	Modified Special Incentive Scheme
CIPET	Central Institute of Plastics Engineering & Technology
IPCC	International Panel on Climate Change
UNEP	United Nations Environment Programme
PCPIR	Petroleum, Chemicals and Petrochemicals Investment Region
MMT	Million Metric Tonnes
GCPMH	Global Chemicals and Petrochemicals Manufacturing Hubs
ISCMA	Indian Speciality Chemical Manufacturer' Association
RSC	Royal Society of Chemistry
ATJ	alcohol-to-jet
CBG	compressed bio-gas
GIDC	Gujarat Infrastructure Development Corporation

CONVENTIONAL TERMS /ABBREVIATIONS

Term	Description
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
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
BBA	Bachelor of Business Administration
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
BRLM	Book Running Lead Manager
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations

Term	Description
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CFA	Chartered Financial Analyst
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
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's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFO	Employees' Provident Fund Organization
EPF Act	The 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.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
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

Term	Description
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
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
GOI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	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
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
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
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
Mn	Million
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
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account

Term	Description
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
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
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
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TRS	Transaction Registration Slip

Term	Description
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
w.e.f.	With effect from
WIP	Work in process
Willful Defaulter	An entity or person categorized as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations
YoY	Year over Year

The words and expressions used but not defined in this Draft Red Herring Prospectus 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 "Description of Equity Shares and Terms of the Articles of Association", "Statement of Possible Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information of our Company", "Outstanding Litigations and Material Developments" and "Issue Procedure", will have the meaning ascribed to such terms in these respective sections.

PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Red Herring Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements comprises of the restated statement of assets and liabilities for the financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and the restated statement of profit and loss, the restated statement of cash flows and the restated statement of changes in equity for the financial years ended March 31, 2024, March 31,2023 and March 31, 2022 and the summary of significant accounting policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see please refer section titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, to what extent, the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 30, 131 and 246 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the "*Restated Financial statements*" of our Company as beginning on page 188 of this Draft Red Herring Prospectus.

CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America, EUR or "€" are Euro currency.

All references to the word "Lakh" or "Lac", means "One hundred thousand" and the word "Million" means "Ten Lakhs" and the word "Crore" means "Ten Million" and the word "Billion" means "One thousand Million".

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Draft Red Herring Prospectus 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.

EXCHANGE RATES

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency		Exchange Rate as on March 31, 2024	Exchange Rate as on March 31, 2023	Exchange Rate as on March 31, 2022
1 USD		83.37	82.22	75.81
1 Euro		90.22	89.61	84.66

Note: *If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*
Source: https://www.rbi.org.in/scripts/referenceratearchive.aspx

DEFINITIONS

For definitions, please refer the chapter titled "*Definitions and Abbreviations*" beginning on page 2 of this Draft Red Herring Prospectus. In the section titled "*Main Provisions of the Articles of Association*" beginning on page 317 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications 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.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "may", "will", "will continue", "will pursue", "contemplate", "future", "goal", "propose", "will likely result", "will seek to" or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and 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.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any slowdown or shutdown in our manufacturing operations;
- Inability to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations;
- Dependency on third-party transportation providers for the supply of raw materials and delivery of our finished products;
- Delay in orders placing for the purchase of plant and machinery;
- Failure to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability;
- Our ability to attract and retain qualified personnel;
- Restrictions on import and an increase in shipment cost may adversely impact our business, cash flows and results of operations;
- Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations;
- Conflict of interests between our Company and other venture or enterprises promoted by our promoter or directors;
- Volatility of loan interest rates and inflation;
- Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations;
- Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations;

- Our inability to maintain or improve our brand image;

- A slowdown in economic growth in India could cause our business to suffer;

- Global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects;

For further discussions of factors that could cause our actual results to differ, please refer the section titled "*Risk Factors*" and chapter titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 30, 131, and 246 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders 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.

Forward-looking statements reflect the current views as of the date of this Draft Red Herring Prospectus 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. Neither our Company, our Directors, the Syndicate Members 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.

In accordance with the SEBI ICDR Regulations, our Company, will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Issue.

SECTION II - SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "Risk Factors", "The Issue", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Outstanding Litigation and Material Developments", "Issue Procedure" and "Main Provisions of The Articles Of Association" on pages 30, 61, 76, 89, 112, 131, 182, 188, 243, 255, 292 and 317, respectively.

SUMMARY OF OUR BUSINESS

Our Company is mainly engaged in the business of manufacturing of a wide range of chemicals, Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry that serves multiple industries. We currently have 3 Plants named as Plant-1, Plant-2 and Plant-3 at our manufacturing facility located at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India.

For more details, please refer chapter titled "*Our Business*" beginning on page 131 of this Draft Red Herring Prospectus.

SUMMARY OF OUR INDUSTRY

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply.

For more details, please refer chapter titled "*Industry Overview*" beginning on page 112 of this Draft Red Herring Prospectus.

OUR PROMOTERS

The promoters of our company are Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal.

SIZE OF ISSUE

The following table summarizes the details of the Issue. For further details, see "*The Issue"* and "*Issue Structure*" beginning on pages 61 and 288, respectively.

Issue of Equity Shares	Up to 45,90,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity share (including a premium of [●] per Equity Share) aggregating to ₹ [●] Lakhs*
Of which:	
Market Maker Reservation Portion	Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs
Net Issue	Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs

**The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on July 17, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on July 17, 2024.*

The Issue and Net Issue shall constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in Lakhs)

Sr. No	Particulars	Amount
1.	Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "***Plant –4***"	703.82
2.	Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies	1,023.51
3.	General corporate purposes[#]	[●]
	Total*	[●]

**To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.*
#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.

For further details, please refer to chapter titled "*Objects of the Issue*" beginning on page 89 of this Draft Red Herring Prospectus.

PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF OUR COMPANY

The aggregate pre-Issue shareholding of Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus is set out below:

Category	Pre-Issue	
	No. of Shares	% of Pre-Issue Capital
Promoter		
Mr. Bharat Jayantilal Pandya	62,31,375	48.95%
Mr. Pandya Anilkumar Jayantilal	55,90,875	43.91%
Promoter Group		
Ms. Alpa Bharat Pandya	2,34,500	1.84%
Ms. Shailaja Anil Pandya	2,36,250	1.86%
Ms. Vama Bharatbhai Pandya	35,000	0.27%
Ms. Parita Bharatbhai Pandya	35,000	0.27%
Mr. Pandya Shail Anil	68,250	0.54%
Total	**1,24,31,250**	**97.64%**

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

(₹ in lakhs other than share data)

Particulars	For the year ended March 31		
	2024	2023	2022
Share Capital	254.63	254.63	254.63
Net worth[#]	1,962.04	1,489.36	1,316.43
Total Revenue[$]	4,696.84	5,101.97	6,778.63
Profit after Tax	472.68	172.93	342.06
Earnings per share (Basic & diluted) (Post Bonus) (₹)[@]	3.71	1.36	2.98
Net Asset Value per Equity Share (Post Bonus) (₹)*	15.41	11.70	11.46
Total borrowings^	1,763.94	1,562.15	1,017.26

#Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus
$Total Revenue = Restated Revenue from operations plus Restated Other Income
@ Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated number of Equity Shares outstanding during the period
**Net Asset Value per Equity Share = Restated Net worth divided by Restated number of Equity Shares outstanding during the period*
^Total Borrowings = Restated Long-Term Borrowings plus Restated Short Term Borrowings

Notes:

(1) Our Board of Directors pursuant to a resolution dated April 01, 2024 and Shareholders pursuant to ordinary resolution dated April 12, 2024, have approved the issuance of 1,01,85,000 bonus Equity Shares in the ratio of Four Equity Shares for every one existing fully paid-up Equity Share.

QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Company						
By the Company	1	NA	NA	NA	NA	9.74
Against the Company	NA	4	NA	NA	NA	136.14
Directors						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	1	NA	NA	NA	0.21
Promoters						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

Brief details of top 5 Criminal Case against our Promoters:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	NA	NA	NA	NA

For further details, please refer chapter titled "*Outstanding Litigations and Material Developments*" beginning on page 255 of this Draft Red Herring Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled "*Risk Factors*" beginning on page 30 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

The following table sets forth our contingent liabilities as derived from our Restated Financial Statements;

(₹ in Lakhs)

Particulars	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	3.55	3.54	3.54
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.23	-	-
Total	**4.78**	**3.54**	**3.54**

For details, please refer to Section titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18:

RESTATED STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Rs. Lakhs)

List of Related Parties as per AS - 18 :

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Bharat Jayantilal Pandya	Managing Director
	Anil Jayantilal Pandya	Whole Time Director
	Piyush Maganlal Nathwani	Whole Time Director
Relatives of KMP	Alpaben B Pandya	Wife of Bharat Jayantilal Pandya
	Sailjaben A Pandya	Wife of Anil Jayantilal Pandya
	Rucha Pandya	Daughter of Anil Jayantilal Pandya
	Shail Pandya	Son of Anil Jayantilal Pandya
	Khyati Nathwani	Wife of Piyush Maganlal Nathwani
Associates	Khambhat Environ Care Association	Co-promoted Section 8 Company

(i) Transactions with Directors/KMP		**31-Mar-24**	**31-Mar-23**	**31-Mar-22**
1	**Bharat Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	110.09
	Loan Taken by the Company	-	-	19.25
	Loan Repaid by the Company	-	-	129.34
	Interest on Loan taken/Given	-	-	-
	Closing Balance	-	-	-
	Opening balance of Loan given by the Company	11.92	5.57	
	Loan Given	118.88	41.68	55.57

	Loan Repaid	130.80	35.33	50.00
	Interest on Loan Given	-	-	-
	Closing Balance	**-**	**11.92**	**5.57**
2	**Anil Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	56.61
	Loan Taken by the Company	-	-	24.00
	Loan Repaid by the Company	-	-	80.61
	Interest on Loan taken/Given	-	-	-
	Closing Balance	**-**	**-**	**-**
	Opening balance of Loan given by the Company	21.48	5.27	
	Loan Given	137.57	16.21	5.27
	Loan Repaid	159.05	-	-
	Interest on Loan Given	-	-	-
	Closing Balance	**-**	**21.48**	**5.27**
3	**Piyush Maganlal Nathwani**			
	Director Remuneration given	21.00	21.00	19.80
	Reimbursement of expenses	5.98	5.24	4.35
(ii) Transactions with Relatives of Directors/KMP				
4	**Salary Paid**			
	Khyati Nathwani	5.00	5.00	4.95
	Shail Pandya	8.40	8.40	8.40
5	**Rent Paid**			
	Alpaben B Pandya	4.80	4.80	4.80
	Sailjaben A Pandya	4.80	4.80	4.80
(iii) Transactions with Associates				
6	**Khambhat Environ Care Association**			
	Opening balance of Loan given by the Company	45.00	45.00	35.00

Loan Given	-	-	10.00
Loan Repaid	-	-	-
Interest on Loan Given	-	-	-
Closing Balance	**45.00**	**45.00**	**45.00**

For details, please refer to chapter titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter group, our directors and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of business of the relevant financing entity) during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one (1) year preceding the date of this Draft Red Herring Prospectus set forth in the table below:

Sr. No.	Name of Promoters	Number of Equity Shares Held	Number of Equity Shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted Average cost of Acquisition (in ₹) *
1.	Mr. Bharat Jayantilal Pandya	62,31,375	51,05,100	Nil
2.	Mr. Pandya Anilkumar Jayantilal	55,90,875	45,92,700	Nil

The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

**As certified by Statutory Auditor of our Company, by way of their certificate dated August 23, 2024.*

AVERAGE COST OF ACQUISITION OF PROMOTERS

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

Sr. No.	Name of Promoters	No of Equity Shares held	Average cost of Acquisition (in ₹) *
1.	Mr. Bharat Jayantilal Pandya	62,31,375	0.63
2.	Mr. Pandya Anilkumar Jayantilal	55,90,875	0.51

The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

**As certified by Statutory Auditor of our Company, by way of their certificate dated August 23, 2024.*

DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
April 18, 2024	1,01,85,000	10/-	Nil	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Bharat Jayantilal Pandya	51,05,100
						Mr. Pandya Anilkumar Jayantilal	45,92,700
						Ms. Alpa Bharat Pandya	1,87,600
						Ms. Shailaja Anil Pandya	1,89,000
						Ms. Vama Bharatbhai Pandya	28,000
						Ms. Parita Bharatbhai Pandya	28,000
						Mr. Pandya Shail Anil	54,600

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Red Herring Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Draft Red Herring Prospectus also 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 Draft Red Herring Prospectus. See chapter titled "Forward Looking Statements" beginning on page 21 of this Draft Red Herring Prospectus.

To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Draft Red Herring Prospectus, including the chapters titled "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry Overview" and "Restated Financial Statements" on page 131, 243, 112 and 188 respectively of this Draft Red Herring Prospectus, together with all other Restated Financial Statements contained in this Draft Red Herring Prospectus. 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 Draft Red Herring Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the financial years ended March 31, 2024, 2023, and 2022 as included in "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

MATERIALITY

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- Some events may have material impact quantitatively;
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material individually but may be found material collectively.
- Some events may not be material at present but may be having material impact in future.

INTERNAL RISKS

1. ***We are highly dependent on certain key customers for a substantial portion of our revenues and we do not have long term contracts with all of these customers. Loss of relationship with any of these customers may have a material adverse effect on our profitability and results of operations.***

Our customer base currently comprises a host of international and domestic companies. We depend on certain customers who have contributed to a substantial portion of our total revenues. In the aggregate, our top five customers accounted for 37.06%, 41.73%, and 36.19%, of our total revenue for the financial year ending March 31, 2024, 2023 and 2022, respectively. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. We usually do not enter into long-term contracts with any of our customers.

Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to renegotiate

favourable terms with our key customers; the loss of these customers; all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to offer terms to such customers which we may place restraints on our resources. Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. Some of these customers have been associated with us for the past three years. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Additionally, the loss of any key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any loss of revenue from the loss of any of our key customers including our largest customer or even our top five customers.

If one or more of our customers were to become insolvent or otherwise unable to pay for the products supplied by us, this could have a have an impact on our business as we may not be able to recoup the unpaid production costs and materials incurred for operation purposes.

2. ***We depend on a certain supplier for our raw materials required for our operations and we do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our business, financial condition and results of operations.***

Our business is significantly affected by the availability, cost and quality of the raw materials. We usually do not enter into long-term supply contracts with any of our raw material suppliers. Our raw materials are majorly procured in the domestic market from Gujarat, Maharashtra, Telangana and imported from China. We are dependent on external suppliers for certain of the materials. The prices and supply of these and other raw materials depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and duties. If, for any reason, our suppliers of raw materials should curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our earnings and business could suffer. Further, we may not be able to pass on any increase in the cost of manufacturing our products to our customers, which may adversely affect our results of operations. If we are unable to source raw materials from key suppliers in a timely manner, our production processes and results of operations may be adversely impacted. There can be no assurance that we would be able to source required quantities or qualities of raw materials in a cost-effective manner in future periods. In addition, we usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter period or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials or products from alternate suppliers in a timely manner, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations. Purchases made from our top 10 suppliers for the financial year ended March 31, 2024, 2023 and 2022 representing 47.02%, 54.46%, and 53.59% respectively of our total raw material or products purchases

3. ***We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.***

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters and Group Company as at the date of this Draft Red Herring Prospectus:

Cases against our Company:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	4	136.14
Other Litigation	--	--

Cases by our Company:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	1	9.74
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Other Litigation	--	--

Cases against our Director and / or Promoters:

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	1	0.21
Other Litigation	--	--

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see "*Outstanding Litigations and Material Developments*" beginning on page 255 of this Draft Red Herring Prospectus.

4. We do not possess patents for our processes, which may result in inadequate protection of our intellectual property rights. This could potentially have a substantial adverse effect on our business and operational outcomes.

Our ongoing commercial success hinges on our ability to safeguard our processes and secure intellectual property rights. This lack of patent protection allows competitors to potentially replicate these process technologies, thereby diminishing or nullifying any competitive advantage we possess, which could negatively impact our business and profitability. Additionally, there is no guarantee that any future patent applications we submit will result in granted patents, or that such patents, if granted, will offer sufficient proprietary protection or competitive benefits.

Consequently, we cannot ensure the confidentiality of our technical knowledge. There is a risk that certain technical information may be disclosed, either unintentionally or deliberately, at various stages of the manufacturing process. A significant number of our employees have access to these confidential processes, and we cannot guarantee that this information will remain secure. Furthermore, some employees may leave our company and join competitors. While our arrangements with some of our customers include confidentiality clauses, we cannot assure that these arrangements will effectively protect our technical knowledge. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Any leakage of confidential technical information could adversely affect our business, operational results, financial condition, and future prospects. Failure to protect the intellectual property associated with our in-house developed processes may prevent us from claiming registered ownership of these processes, and consequently, we may be unable to seek remedies for any infringement by third parties.

5. Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our workers that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations.

We conduct our operations through our manufacturing facility situated at Khambhat, Ahmedabad, Gujarat. Our Manufacturing Facility is spread across approximately 26,079 square meters. The core of our business relies on efficient management of the manufacturing facility, however our operations face a spectrum of operational risks, some of which are beyond our control, such as the breakdown, failure of equipment or industrial accidents, severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery, our equipment, our reactors, our process systems, our IT systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair our assets and systems in a timely manner or at all, our operations may need to be suspended until we procure the appropriate assets to replace them. In addition, we may be required to carry out planned shutdowns of our

facilities for maintenance and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. Success of our operations depend on availability of labour and good relationships with our labour force. As of the date of this Draft Red Herring Prospectus, our employees are not members of any organised labour unions. Strikes and lockouts as a result of disputes with our labour force may adversely affect our operations. While we have not had instance of strikes, lockouts or labour disputes in the past, we cannot assure you that we shall not experience any strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, financial condition and results of operations. Further, we may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facilities to cease, or limit, production until the disputes concerning such approvals are resolved. Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shutdown of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, financial condition and results of operations.

6. Our Company's manufacturing activities are labour intensive and depend on availability of labour. In case of unavailability of such labour, our business operations could be affected.

Our operations and manufacturing process are labour intensive and depends on our ability to retain labour. In case such labour is unavailable or we are unable to identify and retain such labour our business could be adversely affected. We cannot guarantee that we may be able to continue with the same on favourable terms or at all. Any such failure may impact the operations, business process and profitability. Additionally, 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.

7. Our operations are dependent on our R&D capabilities and an inability to continue to design complex chemistries may adversely affect our business.

Our operational sustainability is closely tied to our ability to achieve cost-efficiency and drive improvements through our research and development (R&D) efforts. The complexity of the chemistries we work with plays a vital role in maintaining our competitive edge. This relies on several factors, including the successful development and application of technologies, hiring and training of qualified personnel, production, certification, identification of emerging trends in our target end markets, and the demand for new products. There is no guarantee that we will be able to secure the necessary technological knowledge through our R&D facilities to continue developing our product portfolio or respond to industry trends with cost-effective products. Additionally, we may need to make significant investments in R&D, which could strain our resources and may not yield monetizable results. If we fail to acquire such knowledge promptly, or at all, we may be unable to effectively implement our strategies, adversely affecting our business and operational outcomes.

8. Information relating to historical installed capacity of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity utilization may vary. Under-utilization of our manufacturing capacity and an inability to effectively utilize our expanded manufacturing facilities may have an adverse effect on our business, future prospects and future financial performance.

Information relating to our historical installed capacity of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and independent chartered engineer, namely, *M/s Mukund M. Patki*, Chartered Engineer by their certificate dated July 15, 2024, including proposed operations, assumptions relating to availability and quality of raw materials, potential utilization levels and operational efficiencies. For further information regarding our manufacturing facility, including our historical installed capacity, see "Our Business – Capacity and Capacity Utilization" on pages 131 of this Draft Red Herring Prospectus. Actual and future manufacturing volumes and capacity utilization rates may differ significantly from the estimated production capacities of our manufacturing facility. Undue reliance should therefore not be placed on the information relating to our installed capacities or historical capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus. Further, there is no guarantee that our future production or capacity utilization levels will match or exceed our historical levels.

Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional infrastructure costs and utilize the expanded capacities as anticipated. The product requirements of, and procurement practice followed by, our customers also affect our capacity utilization. In recent times, we have made significant investments for the expansion of our manufacturing

capacities and are continuing to undertake additional investments to increase our existing capacity. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently.

Our aggregate capacity utilization was 60%, 63%, and 75% in Fiscals 2024, 2023 and 2022, respectively. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance. We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows. Further, as one of our strategies is to shift our focus from ***"High Volume – Low Value" to "Low Volume and High Value"*** business, which resulted in the decrease of capacity utilisation.

9. The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.

The Restated Financial Information of our Company as disclosed in section titled "Restated Financial statements" beginning on Page no. 188 of this Draft Red Herring Prospectus for the Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022 is furnished by Peer Reviewed Chartered Accountants i.e., M/s Mundra & Co., Chartered Accountants (having Peer Review Registration No. 014184) who is not the Statutory Auditor of our Company. While our Statutory Auditor possesses a valid peer-reviewed certificate, for the purpose of maintaining the independence, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

10. A significant proportion of our revenues are derived from Pharma chemicals, High Performance Pigment and Speciality chemicals, Specialty Chemicals, Coating chemicals, and any reduction in the demand for such products could have an adverse effect on our business, results of operations and financial condition.

We derive majority of our revenues from the sale of Pharma chemicals, High Performance Pigment and Speciality chemicals, Specialty Chemicals, Coating chemicals, for further details, please refer '*Revenue Break-Up*' in the chapter titled "*Our Business*" on page 317 of this Draft Red Herring Prospectus. Accordingly, our revenues are dependent on the end user industries that use our products as an input. However, our revenue may decline as a result of, amongst other, (i) our customers' failure to successfully market their products or to compete effectively; (iii) loss of market share, which may lead our customers to reduce or discontinue the purchase of our products; (iv) economic conditions of the markets in which our customers operate; (v) increased competition; (vi) pricing pressures; and (vii) regulatory action, which could have an adverse effect on our business and sales to our customers would decline substantially. We cannot assure that we shall generate the same quantum of business, or any business at all, from these products, may adversely affect our revenues and profitability. However, the composition and revenue generated from these products might change as we continue to add new products in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

11. Our reliance on certain industries for a significant portion of our sales could have an adverse effect on our business.

We derive majority of our revenue almost 29.84%, 23.90%, 30.76%, and 11.60% from Pharma industries, High Performance Pigment and Speciality industries, Specialty Chemicals industries, Coating industries, respectively, of the total revenue from operation in FY 2024, for further details, please refer '*Revenue Break-Up*' in the chapter titled "*Our Business*" on page 317 of this Draft Red Herring Prospectus. Consequently, our revenues are dependent on the end user industries that use our products as an input. Factors affecting any of these industries in general, or any of our customers in particular, could have a cascading adverse effect on our business, financial condition and results of operations. Such factors include, but are not limited to, the following:

a. seasonality of demand for our customers' products, which may cause our manufacturing capacities to be underutilised during specific periods;

b. our customers' failure to successfully market their products or to compete effectively;
c. change in any registration requirements or non-renewal of registrations or imposition of a regulatory ban, or trade sanctions imposed across the country or any such restrictions on the business or product or customer's final product;
d. loss of market share, which may lead our customers to reduce or discontinue the purchase of our products;
e. economic conditions of the markets in which our customers operate;
f. regulatory issues faced by these industries in India and internationally;
g. downturns or industry cycles that impact demand; and
h. changes in technology or consumer tastes and requirements that alter demands for our products.

12. We derive a huge portion of our revenues from exports and are subject to risk of international trade.

Our exports accounted for 38.14%, 39.78%, and 43.45%, of our total revenue for the financial year ending March 31, 2024, 2023 and 2022, respectively, for further details, please refer '*Revenue Break-Up*' in the chapter titled "*Our Business*" on page 317 of this Draft Red Herring Prospectus. Developments in the global chemical industry or the industries in which our customers operate could significantly impact our export sales. For example, the outbreak of war between Russia and Ukraine on February 24, 2022, caused unrest in Ukraine, disrupting our exports to European countries and leading to challenges and delays in receiving payments. If such severe conditions persist or similar conflicts arise globally in the future, our export revenue may be adversely affected. Additionally, tariffs, quotas, and other trade barriers may be imposed on our products in the regions where we operate or aim to sell. There is no guarantee that countries we export to, or seek to export to, will not impose trade restrictions on us in the future. We may also face export prohibitions to certain restricted countries that could be added to a sanctions list maintained by the Government of India or other foreign governments. The imposition of such trade barriers could negatively impact our operational results and financial condition.

Our operations are subject to risks specific to each country where our customers operate, including:

- ✓ Social, economic, political, and geopolitical conditions, as well as adverse weather conditions, such as natural disasters, civil disturbances, terrorist attacks, wars, or other military actions, which could negatively affect our business and operations;

- ✓ Compliance with local laws, including legal constraints on ownership and corporate structure, environmental, health, safety, labor, and accounting laws, which may impose onerous and costly obligations on our multinational customers;

- ✓ Changes in foreign laws, regulations, and policies, including restrictions on trade, import and export license requirements, tariffs and taxes, intellectual property enforcement issues, and shifts in foreign trade and investment policies;

- ✓ Fluctuations in foreign currency exchange rates against the Indian Rupee.

Additionally, our revenues from these markets may decline due to increased competition, regulatory actions, pricing pressures (including anti-dumping measures), fluctuations in the demand for or supply of our products or services, or the outbreak of infectious diseases such as COVID-19. Failing to effectively respond to these situations or successfully introduce new products in these markets could negatively impact our business, prospects, operational results, and financial position. Furthermore, our international operations are subject to risks specific to each country and region, as well as general risks associated with international operations. These risks include changes in foreign laws, regulations, and policies, such as trade restrictions, import and export license requirements, tariffs and taxes, intellectual property enforcement issues, and shifts in foreign trade and investment policies. If we cannot effectively address or comply with these changes, or meet the conditions stipulated in our licenses, we may face penalties and other regulatory actions, adversely affecting our reputation, business prospects, operational results, and financial condition.

13. We generate our major portion of sales from our operations in certain geographical regions especially, Gujarat, Maharashtra, Telangana and Haryana. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

We generate major portion of our domestic sales from our customers situated in Gujarat, Maharashtra, Telangana and Haryana.

(₹ in lakhs)

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Gujarat	1,636.50	57.03%	2,080.04	68.60%	2,894.22	76.36%

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Haryana	316.80	11.04%	129.00	4.25%	65.60	1.73%
Maharashtra	752.18	26.21%	638.26	21.05%	639.73	16.88%
Telangana	161.11	5.61%	182.81	6.03%	190.27	5.02%

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

14. Majority of our Revenue from operation is derived from our manufacturing of our own speciality chemicals and intermediates. Any disruption would have a material adverse effect on our business, results of operations and financial position of our company.

We organize our business based on three business models: (i) manufacturing of our own speciality chemicals and intermediates, (ii) Custom manufacturing and (iii) contract manufacturing/exclusive manufacturing. Our revenue from manufacturing of our own speciality chemicals and intermediates, contributes major portion of our total revenue from operations.

(₹ in lakhs)

Name of the Business Model	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Manufacturing of our own speciality chemicals and intermediates	4,240.20	91.40%	4,798.41	95.29%	6490.70	96.84%

We have our manufacturing facilities in the state of Gujarat, India. Any disruption to our manufacturing facilities or/and not acceptableness of our own speciality chemicals and intermediates by our customers may result in production shutdowns. These facilities are subject to certain operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government and regulatory authorities. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business.

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

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

acceptable terms or at all etc, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

16. Our Company has availed unsecured loans that may be recalled by the lenders on demand.

As on March 31, 2024, we have outstanding unsecured loan amounting to Rs. 1,023.51 Lakhs from banks and financial institutions which are repayable on demand to them. For further details of our unsecured loans, please refer the chapter titled "*Financial Indebtedness*" beginning on page 243 243of this Draft Red Herring Prospectus. These loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. In such cases, we may be required to repay the entirety of the unsecured loans. We may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, results of operation financial condition and cash flow. To minimize that risk, we intend to repay major portion of our unsecured loans from the Issue proceeds, for further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 89 of this Draft Red Herring Prospectus.

17. There are certain discrepancies/errors/delay filings noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate or any other law could impact the financial position of the Company to that extent.

In the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us such as pursuant to Report issued by M/s. JPS & Associates dated August 12, 2024:

ROC Form	Particulars of Event	Event Date	Due Date of Compliance	Actual Date of Compliance	Delay in days
Form 23AC	Form for filing balance sheet and other documents with the Registrar	31.12.2004	30.01.2005	20.01.2007	720 days
Form 66	Form for submission of compliance certificate with the Registrar	31.12.2004	30.01.2005	20.01.2007	720 days
Form 20B	Form for filing annual return by a company having a share capital with the Registrar	31.12.2004	01.03.2005	20.01.2007	690 days
Form 23AC	Form for filing balance sheet and other documents with the Registrar	31.12.2005	30.01.2006	20.01.2007	355 days
Form 66	Form for submission of compliance certificate with the Registrar	31.12.2005	30.01.2006	20.01.2007	355 days
Form 20B	Form for filing annual return by a company having a share capital with the Registrar	31.12.2005	01.03.2006	20.01.2007	506 days
Form CHG-1	Creation of Charge	12.03.2005	11.04.2005	15.04.2005	4 days
Form 23 AC	Form for filing balance sheet and other documents with the Registrar	30.12.2006	29.01.2007	16.04.2008	353 days
Form 66	Form for submission of compliance certificate with the Registrar	30.12.2006	29.01.2007	16.04.2008	353 days
Form 20B	Form for filing annual return by a company having a share capital with the Registrar	30.12.2006	28.02.2007	16.04.2008	354 days
Form 8	Creation or Modification of Charge	07.08.2006	06.09.2006	11.09.2006	5 days
Form 23 AC	Form for filing balance sheet and other documents with the Registrar	30.09.2011	30.10.2011	14.12.2011	45 days
Form 66	Form for submission of compliance certificate with the Registrar	30.09.2011	30.10.2011	13.12.2011	43 days

Form 20B	Form for filing annual return by a company having a share capital with the Registrar	30.09.2011	29.11.2011	13.12.2011	14 days
Form 23 AC	Form for filing balance sheet and other documents with the Registrar	29.09.2012	30.10.2012	11.11.2013	357days
Form 20B	Form for filing annual return by a company having a share capital with the Registrar	29.09.2012	29.11.2012	11.11.2013	327 days
Form 66	Form for submission of compliance certificate with the Registrar	29.09.2012	30.10.2012	03.02.2015	806 days
Form 23 AC	Form for filing balance sheet and other documents with the Registrar	30.09.2013	30.10.2013	11.11.2013	12 days
Form 66	Form for submission of compliance certificate with the Registrar	30.09.2013	30.10.2013	03.02.2015	441 days
Form 23 AC	Form for filing balance sheet and other documents with the Registrar	30.09.2014	30.10.2014	03.02.2015	96 days
Form 66	Form for submission of compliance certificate with the Registrar	30.09.2014	30.10.2014	03.02.2015	96 days
Form 20B	Form for filing annual return by a company having a share capital with the Registrar	30.09.2014	29.11.2014	03.02.2015	66 days
ADT-1	Appointment of auditor	30.09.2014	15.10.2014	03.02.2015	111 days
MGT-14	Filing of Resolutions	16.06.2014	16.07.2014	03.02.2015	202 days
MGT-14	Filing of Resolutions	30.09.2014	30.10.2014	03.02.2015	95 days

While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance or instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

18. Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoter, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Directors, Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Directors Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial

condition and results of operations may be adversely affected. For further information, see *"Our Management"* on page 167 of this Draft Red Herring Prospectus**.**

19. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may affect ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations. Further, given the high volume of transactions we process on a daily basis, notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, contractors, or customers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

20. ***Our investments in new products may not be successful and may be less profitable or may be loss-making or newly developed products may replace our existing products and our research and development efforts may not yield new products, processes and solutions consistently to enable us to remain competitive.***

As one of our strategies is to shift our focus from ***"High Volume – Low Value" to "Low Volume and High Value"*** business, which require us to develop new products among other strategic initiatives. We may not be able to successfully commercialize these products and our investments on the R&D of such product development may be unable to generate returns which may affect the financial performance of the company. The potential outcomes could include lower profitability or even financial losses. Various elements, like market acceptance, competition, production complexities, regulatory challenges, and unforeseen market shifts, can significantly influence the results. Although we follow a careful plan and strategy to develop our products, the development of new products is subject to number of risks including, but not limited to, our failure to develop products that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. In addition, our new products may require significant capital expenditure for development and roll out and may take substantial management time. Accordingly, our new products may not be successful for these and other reasons. Further, our investments in new products, may be less profitable than what we have experienced historically or estimated or it may be lossmaking or may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

Further, new products may be developed, which may replace our existing products and/or render our existing products obsolete. While we conduct research and development to develop innovative and cost-effective products, and to broaden our product range, we may not be able to develop new products consistently. Any reduction in the utility of our products in general or to such industries including due to the emergence of cost effective and more efficient alternatives and the shift of the practice in these industries towards developing our products in-house, may have an adverse impact on the demand for our products and consequently, may have a material adverse impact on our business, results of operations, cash flows and financial condition. Further, there can be no assurance that the lack of demand from any one of these industries can be offset by sales to other industries in which our products find application.

21. ***Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

We have experienced negative cash flows in the past which have been set out below as per the Restated financial statements:

(₹ In Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net cash generated from/ (used in) investing activities	(186.47)	(839.38)	(519.02)

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled *"Restated Financial Statements"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 188 and 246 respectively of this Draft Red Herring Prospectus.

22. Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders.

Our Company has entered into certain related party transactions with our Promoters, Directors, Key Management Personnel, Promoter Group and Group Companies in the past which are in compliance with applicable provisions of the Companies Act, 2013 and all other applicable laws. For details, please see "Annexure Y of Restated Financial Statements" under the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. Following are details of transactions during the year with related parties of the company as defined in AS 18:

RESTATED STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Rs. Lakhs)

List of Related Parties as per AS - 18 :

Particulars	**Names of related parties**	**Nature of Relationship**
Directors and Key Management Personnel (KMP)	Bharat Jayantilal Pandya	Managing Director
	Anil Jayantilal Pandya	Whole Time Director
		Whole Time Director
	Piyush Maganlal Nathwani	
Relatives of KMP	Alpaben B Pandya	Wife of Bharat Jayantilal Pandya
	Sailjaben A Pandya	Wife of Anil Jayantilal Pandya
	Rucha Pandya	Daughter of Anil Jayantilal Pandya
	Shail Pandya	Son of Anil Jayantilal Pandya
	Khyati Nathwani	Wife of Piyush Maganlal Nathwani
Associates	Khambhat Environ Care Association	Co-promoted Section 8 Company

(i) Transactions with Directors/KMP		**31-Mar-24**	**31-Mar-23**	**31-Mar-22**
1	**Bharat Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	110.09
	Loan Taken by the Company	-	-	19.25
	Loan Repaid by the Company	-	-	129.34
	Interest on Loan taken/Given	-	-	-
	Closing Balance	-	-	-
	Opening balance of Loan given by the Company	11.92	5.57	
	Loan Given	118.88	41.68	55.57
	Loan Repaid	130.80	35.33	50.00
	Interest on Loan Given	-	-	-

	Closing Balance	**-**	**11.92**	**5.57**
2	**Anil Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	56.61
	Loan Taken by the Company	-	-	24.00
	Loan Repaid by the Company	-	-	80.61
	Interest on Loan taken/Given	-	-	-
	Closing Balance	**-**	**-**	**-**
	Opening balance of Loan given by the Company	21.48	5.27	
	Loan Given	137.57	16.21	5.27
	Loan Repaid	159.05	-	-
	Interest on Loan Given	-	-	-
	Closing Balance	**-**	**21.48**	**5.27**
3	**Piyush Maganlal Nathwani**			
	Director Remuneration given	21.00	21.00	19.80
	Reimbursement of expenses	5.98	5.24	4.35
(ii) Transactions with Relatives of Directors/KMP				
4	**Salary Paid**			
	Khyati Nathwani	5.00	5.00	4.95
	Shail Pandya	8.40	8.40	8.40
5	**Rent Paid**			
	Alpaben B Pandya	4.80	4.80	4.80
	Sailjaben A Pandya	4.80	4.80	4.80
(iii) Transactions with Associates				
6	**Khambhat Environ Care Association**			
	Opening balance of Loan given by the Company	45.00	45.00	35.00
	Loan Given	-	-	10.00
	Loan Repaid	-	-	-

Interest on Loan Given	-	-	-
Closing Balance	**45.00**	**45.00**	**45.00**

For details, please refer to Section titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain related party transactions and we undertake that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

23. Our existing manufacturing facility are concentrated in a single region i.e., Khambhat in the state of Gujarat and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Gujarat and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.

Our manufacturing unit is located at Khambhat in the district of Anand in the state of Gujarat which exposes us to risks of concentration. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing facilities could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

24. Failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.

We have implemented various information technology solutions to cover key areas of our operations including sourcing, planning, accounting and data security. However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Our ability to keep our business operating depends on the proper and efficient operation and functioning of the information technology systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

There is no assurance that we will not experience disruption in our information technology systems in the future and we will be able to remedy such disruption in timely manner, or at all. Any such disruption of our information technology systems could have a material adverse effect on our business, results of operation and financial condition.

Any failure in overhauling or updating our information technology systems in a timely manner could cause our operations to be vulnerable to external attacks and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to conduct our normal business operations, which may materially adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete.

25. The specialty chemicals industry is capital intensive, and we may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.

The specialty chemicals industry is capital intensive. We require a substantial amount of capital and will continue to incur significant expenditure in maintaining and growing our existing infrastructure, purchase equipment and develop and implement new technologies in our new and existing manufacturing facilities. In Fiscals 2022, 2023 and 2024, our capital expenditure, were Rs. 568.89 lakhs, 981.90 lakhs, and 206.45 lakhs, respectively. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects.

26. We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders.

All our products and manufacturing processes are subject to stringent quality standards and specifications as specified by our customers. While we believe we undertake the necessary measures and engage internal and external experts to ensure that our facilities comply with the applicable standards as imposed by our customers, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order and even lead to loss of customers. Additionally, it could expose us to monetary liability and/ or litigation. Further, a significant part of our revenue is derived from manufacturing of chemicals and custom synthesis for domestic as well as multinational companies. The arrangements with our customers for custom synthesis and manufacturing require us to strictly adhere to the knowhow and technical specifications mentioned therein. Failure to adhere to the know-how and technical specifications mentioned in our arrangements may lead to cancellation of existing and future orders. Majority of our key customers have also audited and approved our facilities and manufacturing processes in the past, and may undertake similar audits periodically in the future. Any such occurrence on account of errors and omission could result in damage to our reputation and loss of customers, which could adversely affect our business, operations, our cash flows and financial condition. Failure to meet quality and standards of our products and processes can have serious consequences including rejection of the product, which will require us to incur additional cost, which will not be borne by the customer, to replace the rejected product, and loss of customer which could have adverse effect on our reputation, business and our financial condition. This may result in our customers cancelling present or future purchases of our products.

Our business also requires obtaining and maintaining quality certifications and accreditations from independent certification entities. Such specifications and standards of quality is an important factor in the success and wide acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, within time or at all, our business prospects and financial performance will be materially and adversely affected.

The quality of our products is critical to the success of our business, and quality depends on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. As a result, our reputation, business, results of operations and financial condition could be materially and adversely affected.

27. We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of various hazardous chemicals.

Our manufacturing processes involve manufacturing, storage and transportation of various hazardous and flammable substances as our raw materials include Para nitro toluene, Acetonitrile, Metanilic Acid, Sodium, Aniline, Hydrazine etc. However, these operations pose inherent operating risks related to the handling of such substances such as possibility for leakages, ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which could lead to personal injury, property damage and contaminating environment. These risks are particularly concerning, as they could result in interruptions to our business operations. Additionally, some of our manufacturing processes generate pollutants and waste, some of which may be hazardous and harmful to the environment. This further exposes us to potential

risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause industrial accidents, fire, personal injury, loss of human life, damage to our and third-party property and environmental contamination. In addition, due to the hazardous nature of the raw materials and products at our manufacturing facility, risks associated with accidents, including as a result of natural calamities, are exacerbated. In the event of occurrence of any such accidents, our business operations may be interrupted. Any of these occurrences may result in the shutdown of our manufacturing facility and expose us, our employees and management to civil or criminal liability, including significant penalties, which could have an adverse effect on our results of operations and financial position. Moreover, certain environmental laws impose strict liability for accident/ damages resulting from hazardous substances and any failure to comply with such laws may lead to penalties, fines and imprisonment. Further in case any adverse action is taken against our Company, the same may have a material adverse impact on our reputation and our customer arrangement with customers.

28. We have not yet placed orders in relation to the funding Capital Expenditure towards setting up of a new plant named as "Plant –4" which is proposed to be financed from the Issue proceeds of the IPO. In the event of any delay in placing the orders, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected.

We intend to use Rs. 703.82 lakhs of the Net Proceeds for Funding Capital Expenditure towards setting up of a new plant named as "***Plant –4***". We are yet to place orders for the capital expenditure for setting up of a new plant named as "***Plant –4***" for further details, see "Objects of the Issue" on page 89. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Issue and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For setting up of a new plant named as "***Plant –4***" will require us to obtain certain approvals, which are routine in nature. For further details, see "Objects of the Issue" on page 89. There can be no assurance that we will be able to obtain these registrations and approvals. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. For details, see "Objects of the Issue" on page 89 of this Draft Red Herring Prospectus.

29. Within the parameters as mentioned in the chapter titled "Objects of this Issue" beginning on page 89 of this Draft Red Herring Prospectus, our Company's management will have flexibility in applying the proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use the Net Proceeds for the purposes described in the section titled "Objects of the Issue" on page 89 of this Draft Red Herring Prospectus. The Objects of the Issue comprise of funding of capital expenditure requirements of our Company towards setting up of a new plant named as "***Plant –4***", repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies and general corporate purposes. We intend to deploy the Net Proceeds in financial year 2024-2025 and 2025-2026, such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Net Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 89 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 89 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorize to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

30. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.

As on date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for objects of the issue. We meet our capital requirements through, owned funds, debt and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Net Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 89 of this Draft Red Herring Prospectus.

31. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since, the Proceeds from the Issue is less than Rs.10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue as per SEBI (ICDR) Regulations, 2018, as amended from time. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, as per the Section 177 of the Companies Act, 2013, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

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

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for late payments or non-payments for any previous year and current year will affect the financial position of the Company. For instance, our company in the past had delayed filing of ERF Return due to operational reasons and accordingly paid later fees and penalties on the same. Any demand or penalty raised by the concerned authority for such late filing may affect the financial position of the company.

33. We face competition from both domestic as well as multinational corporations and our inability to compete effectively may have a material adverse impact on our business, results of operations and financial condition.

Although the specialty chemicals industry provides for significant entry barriers, competition in our business is based on pricing, relationships with customers, research and development, product quality, customisation, and innovation. We face pricing pressures from companies, principally in China, that are able to produce chemicals at competitive costs and consequently, may supply their products at cheaper prices. Moreover, Indian chemical companies are faced with poor infrastructure and lack of adequate facilities at ports and railway terminals as well as poor pipeline connectivity, which imposes difficulties in raw material procurement and at a cost competitive price with global peers. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such multinational competitors which would adversely affect our business, financial condition and results of operations. Additionally, some of our competitors in the intermediates and speciality chemicals business may have greater financial, research and technological resources, larger sales and marketing teams and more established reputation. They may also be in a better position to identify market trends, adapt to changes in industry, innovative new products, offer competitive prices due to economies of scale and also ensure product quality and compliance.

34. Our Registered Office is not owned by us are taken on rental basis. If we are unable to renew existing rental agreements or relocate our operations on commercially reasonable terms, there may be a material adverse effect on our business, financial condition, results of operations and cash flows could be adversely affected.

Our registered office is not owned by us are taken on rental basis. For further details, see "Our Business" beginning on page 131 of this Draft Red Herring Prospectus. If we are unable to renew the rental agreement on commercially reasonable terms or at all and we cannot relocate our office in a timely manner, we may suffer a disruption in our operations, and our results of operations, financial condition and cash flows may be materially and adversely affected. Further, we cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premise, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we

are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

35. Our investments in new products may not be successful and may be less profitable or may be loss-making.

In accordance with our strategy, we are investing in developing new intermediates and speciality chemicals to add to our product mix. Although we follow a careful plan and strategy to develop our products, the development of new products is subject to number of risks including, but not limited to, our failure to develop products that meet market demands and market requirements, our failure to meet competition and our failure to comply with applicable regulation. In addition, our new products may require significant capital expenditure for development and roll out and may take substantial management time. Accordingly, our new intermediates and speciality chemicals may not be successful for these and other reasons. Further, our investments in new products, may be less profitable than what we have experienced historically or estimated, may be lossmaking, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

36. Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations and financial condition.

Our business depends on our estimate of the demand for our products from customers. As is typical in the specialty chemicals industry, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods. For further information, see "***Our Business – Inventory Management***" on page 131. However, if we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. If we overestimate demand, we may incur costs to build capacity or purchased more raw materials and manufacture more products than required. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

Our ability to maintain as well as expand our international operations is dependent on us providing our products at prices competitive with international as well as local manufacturers. Further, a majority of our business involves having robust supply networks in place. To that extent, if any of our competitors is able to garner a better and more cost-efficient supply network, they may be able to provide their products at competitive prices as compared to us. Our inability to price our products at the applicable prices in the international markets, may affect the demand for our products and consequently have a material adverse effect on our results of operations and financial condition.

37. We are dependent on third-party transportation providers for the supply of raw materials and finished products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.

We use third party transportation providers for the delivery of our raw material and finished products. We rely on various forms of transportation, such as marine, roadways and railways to receive raw materials required for our products and to deliver our finished products to our customers. Unexpected delays in those deliveries, including due to delays in obtaining customs clearances for raw materials imported by us, transportation strikes or increases in transportation and fuel costs, could significantly decrease our ability to make sales and earn profits. We may suffer losses due to damage or loss of raw materials and finished products in transit which may occur due to accidents or natural disasters. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins. In addition, labour shortages or labour disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, majority of our sales and purchases are indigenous, consequently, we are directly linked to India's physical infrastructure which is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

38. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.

Usage of boilers, chilling plants, handling of hazardous chemical materials by labour during production process or otherwise, lifting of materials by humans, heating processes of the boilers, reactors, etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations.

39. Our Company is prone to public liability claims as we deal in hazardous products / chemical, liabilities incurred if any, as a result of an untoward event have the potential to materially impact the financial position of our Company.

Our Company's production process involves dealing with various chemicals which are hazardous to environment. Occurrence of any accident during storage, loading, unloading, transport activity may lead to damage of assets, stock, premises and life. Such incidences may lead to unforeseen costs and our Company may have to compensate for any losses or damages suffered by third parties as a result of such incidents, we have not faced any such incidents in the past.

40. Our commercial success depends on the success of our customer's products with end consumers. Any decline in the demand for our customer's products would adversely impact the demand for our products.

Our products are used by our customers as raw materials in their productions. Our commercial success also depends to a large extent on the success of our customers' products with end consumers. The success of the end products manufactured by our customers depends on our customers' ability to identify early on, and correctly assess consumer market preferences. We cannot assure you that our customers will correctly assess consumer preferences in a timely manner or that demand for goods in which our products are used will not decline. If the demand for the products in which our products are used declines, it could have a material adverse effect on our business, financial condition and results of operations.

41. As we continue to grow, we may not be able to effectively manage our growth and the increased complexity of our business, which could negatively impact our brand and financial performance.

The success of our business will depend greatly on our ability to effectively implement our operational and growth strategies. As a part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including expansion in product base, focus on consistently meeting quality standards, deepen and expand our geographical presence, strengthening up our business through effective branding and promotional activities. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion and diversification plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

42. We have significant power and fuel requirements and any disruption to power sources could increase our production costs and adversely affect our results of operations and cash flows.

We require substantial power and fuel for our manufacturing facilities represent a portion of the production costs for our operations. If power and fuel costs were to rise, or if electricity supplies or supply arrangements were disrupted, our profitability could decline. Power and fuel prices can be affected by numerous factors beyond our control, including global and regional supply and demand, carbon taxes, inflation, political and economic conditions, and applicable regulatory regime.

We source most of our electricity requirements for our manufacturing facilities from local power suppliers or state electricity boards. If our electricity suppliers increase the price for electricity, our cost of production and profitability would 38 be materially adversely affected. Further, natural disasters or adverse conditions may occur in the geographical areas in which we operate including severe weather, tropical storms, floods, excessive rainfalls as well as other events beyond our control. If for any reason electricity is not available, we may need to shut down our plant until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress. However, our Company have suitable power back-up to meet power failure exigencies such as diesel generator sets.

43. We operate in chemical industry which is highly regulated sector and if we fail to comply with the regulations prescribed by the authorities of the jurisdictions in which we operate, our business, results of operations, cash flows and financial condition could be adversely affected.

We operate in a highly regulated sector and are subject to extensive regulations and stringent registration conditions. Most of the applicable regulations are stringent and they may continue to be stricter in the future. The penalties for non-compliance with these regulations can vary from revocation or suspension of the registration to imposition of fines or confiscation. We are subject to additional risks in relation to complying with a wide variety of local laws, including restrictions on the import and export of certain chemicals. Additionally, regulatory and procedural requirements are subject to change and as a result, may, at times, be unclear or inconsistent. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a variety of sanctions being imposed by the relevant authorities, as well as withholding or delay in receipt of regulatory approvals. If we fail to comply with applicable statutory, regulatory or procedural requirements for obtaining registrations in different jurisdictions, there could be a delay in the grant of registrations and consequently delay in the distribution of our products.

44. We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.

Our operations generate pollutants and waste, some of which may be hazardous and flammable. We are therefore subject to a wide range of laws and government regulations, including in relation to safety, health, labour, and environmental protection. These safety, health, labour, and environmental protection laws and regulations impose controls on air and water release or discharge, storage handling, the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous materials, including the management of certain hazardous waste, and exposure to hazardous substances with respect to our employees, along with other aspects of our manufacturing operations. For instance, there is a limit on the amount of pollutant discharge that our manufacturing facilities may release into the air and water. Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation, being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing facilities. While there have been no material violations in the past, there can be no assurance that any material violation may not occur in the future which could have an adverse effect on our business, results of operations and financial condition.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict. We are also subject to the laws and regulations governing employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

45. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing of returns and deposit of statutory dues with the taxation and other statutory authorities.

In the past, our company has at several instances, delayed in filing our GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although the late filing fees and interest on late deposits levied are small, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see *"Outstanding Litigation and Material Developments"* beginning on page 255 of this Draft Red Herring Prospectus.

46. Certain corporate records and regulatory filings of our Company are not traceable.

Certain corporate records and regulatory filings, including those in relation to issue and allotment of Equity Shares by our Company prior to 2006 are not traceable. While we believe that these filings were duly made, we have not been able to trace copies of the same. Copies of such relevant documents, including from the relevant regulatory or statutory authorities in India, wherever applicable, are not available. We have placed reliance on other documents, including our annual returns, audited financial statements, minutes of the meetings of our Board of Directors and Shareholders and Capital Built-up certificate certified by our Statutory Auditors, for corroborating the share capital history of our Company for such period. We cannot assure you that these corporate records and regulatory filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect.

47. If any of the products of our customers cause, or are perceived to cause, severe side effects, our reputation, revenues and profitability could be adversely affected.

We develop, manufacture and market a diverse range of specialty chemicals, which are primarily used as raw materials for a variety of end user applications. If our customers' products cause, or are perceived to cause, severe side effects to their end-users, we may face a number of consequences, including, a severe decrease in the demand for, and sales of, the relevant products; the recall or withdrawal of the relevant products; withdrawal or cancellation of regulatory approvals for the relevant production facility; damage to our reputation and brand name; and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions. As a result of these consequences, our reputation, revenues and profitability may be adversely affected.

48. Our financing agreements contain covenants that limit our flexibility in operating our business. If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders, our lenders may accelerate the repayment schedules, and enforce their respective security interests, leading to a material adverse effect on our business and financial condition.

A portion of borrowings is secured by hypothecation of current assets (both present and future), mortgage of our properties and of our promoters' personal properties, for further details, please refer the chapter titled "*Financial Indebtedness*" beginning on page 243 of this Draft Red Herring Prospectus. Our existing financing arrangements contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to, without prior consents from the lenders, engage in acts that may be in our long-term best interest, including restrictions on our ability to, among other matters, make regular inspections and audits. If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders or if any events of default occur, our lenders may accelerate the repayment schedules or terminate our credit facilities. However, there have not been any instances in the past that adversely affected the Company's business, credit ratings, prospects, results of operations and financial condition, due to restrictive covenants of the debt financing agreements. Further, certain of our subsisting loans may be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. Further, such covenant defaults could result in cross-defaults in our other debt financing agreements. In the event our lenders accelerate the repayment of our borrowings, there can be no assurance that we will have sufficient assets to repay our indebtedness. If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

49. Our Promoters have provided personal guarantees 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 and thereby, impact our business and operations.

Our Promoters have extended personally guarantee towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details, please refer the chapter titled "Financial Indebtedness" beginning on page 243 of this Draft Red Herring Prospectus.

50. We may not be fully insured for all losses we may incur.

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions, limitations of liability set forth in our contracts may not be enforceable in all instances or may not otherwise protect us from liability for damages.

In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. We face the risk of loss resulting from, and the adverse publicity associated with, lawsuits, whether or not such claims are valid. We have taken various insurance policies, details of which is mentioned in the section titled, *"Insurance"* under the chapter titled, *"Our Business"* on page 131 of the Draft Red Herring Prospectus. Although we believe we have adequate insurance coverage but that coverage may not continue to be available on reasonable terms or to be available in sufficient amounts to cover one or more large claims, and our insurers may disclaim coverage as to any future claim. Insurance coverage may be an inadequate remedy where the loss suffered is not easily quantifiable, for example, in the event of severe damage to our reputation. 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 a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

51. Our Company logo "technichem" is not registered with Registrar of Trademark; any infringement of our brand name or failure to get it registered may adversely affect our business. Further, any kind of negative publicity or misuse of our brand name could hamper our brand building efforts and our future growth strategy could be adversely affected.

Our Company has made applications for registration with the Registrar of Trademark for registration of logo and we are not sure that the same will be registered at all. If we are unable to register the intellectual property in the future in our name or any objection on the same may require us to change our logo and hence may loose on the goodwill created so far. Further, the same may involve costly litigations and penal provisions if some legal consequences arise if someone from outside use our name and logo of our Company. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our brand. We cannot guarantee that we will be able to make a lasting brand image with our clients and other people in the absence of a logo. Although, we believe that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations.

52. In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.

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. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company to public Company.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, there can be no assurance that the relevant authority will issue or renew expired approvals within

the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related 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. For further details regarding the material approvals, licenses, registrations and permits, see "Government and Other Approvals" on page 260of this Draft Red Herring Prospectus.

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.

53. We might infringe upon the intellectual property rights of others and may be susceptible to claims from third parties, affecting our operations and financial condition.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers: (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management's attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. While in the last three financial years we have not been involved in litigation or incurred litigation expenses in connection with third party intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, financial condition and results of operations.

54. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. While we have not faced such incidents in the past, if we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

55. Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse

effect on our business, financial condition and results of operations. For further details, please refer chapter titled "*Financial Indebtedness*" beginning on page 243 of this Draft Red Herring Prospectus.

56. We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.

The following table sets forth our contingent liabilities as derived from our Restated Financial Statements;

(₹ in Lakhs)

Particulars	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	3.55	3.54	3.54
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.23	-	-
Total	**4.78**	**3.54**	**3.54**

57. In addition to normal remuneration, other benefits and reimbursement of expenses some of our directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Some of our directors (including our Promoters) 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. We cannot assure you that our directors would always exercise their rights as shareholders to the benefit and best interest of our Company. For further information, see the chapters titled "Our Management" and "Our Promoters and Promoter Group" beginning on page 167 and 182 respectively of this Draft Red Herring Prospectus and the section titled "Financial Information" beginning on page 188 of this Draft Red Herring Prospectus.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. The sources from where the industry information is extracted and included in this Draft Red Herring Prospectus are *https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024*, *https://www.ibef.org/economy/indian-economy-overview*, *https://www.ibef.org/industry/manufacturing-sector-india* and *https://www.ibef.org/industry/chemical-industry-india*. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies 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 may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

59. The recent outbreak of the novel coronavirus could have a significant effect on our results of operations, and could negatively impact our business, revenues, financial condition and results of operations.

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures our operations and to build confidence in the safety protocols deployed at our office. If we do not respond appropriately to the pandemic, or if customers do not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect

of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

60. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After the completion of the Issue, our Promoters and Promoter Group is expected to hold [●] % of the Post Issue Equity Share Capital. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters' shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's or in investor favor.

61. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price to be decided by the Company in consultation with the Book Running Lead Manager in accordance with the SEBI ICDR Regulations.

Our Promoters' average cost of acquisition of Equity Shares in our Company could be lower than the Price decided by our Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "Capital Structure" beginning on page 76 of this Draft Red Herring Prospectus.

62. 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 may not be 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*" on page 187 of this Draft Red Herring Prospectus.

63. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Issue Price of our Equity Shares has been determined by book building method. These will be based on numerous factors (For further information, please refer chapter titled *"Basis for Issue Price"* beginning on page 101 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

64. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

Our restated financial statements, including the financial statements provided in this Draft Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the

financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled "*Presentation of Financial Industry and Market Data*" beginning on Page 19 of this Draft Red Herring Prospectus.

Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" (**"IFRS"**), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards, i.e., IND (AS) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

EXTERNAL RISKS

65. An investment in the Equity Shares is subject to general risk related to investments in Indian Companies .

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest 52 rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

66. A slowdown in our exports due to tariffs and trade barriers and international sanctions could adversely affect our business, financial condition and results of operations.

A significant portion of our revenue is derived from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the European Community and the United States, among others, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. In February 2022, hostilities between Russia and the Ukraine commenced, which has led to the imposition of sanctions of various Russian interests (and in some cases Belarus) by the European Union, Australia, Canada, Japan, New Zealand, Switzerland, South Korea, the United Kingdom and the United States. Any such imposition of trade barriers or international sanctions may have an adverse effect on our business, financial condition and results of operations.

67. We have issued Equity Shares during the last one year at a price below the Issue Price.

Our Company had issued Bonus shares of 1,01,85,000 equity shares on April 18, 2024 in the ratio of 4:1 i.e., 4 Bonus Equity shares for every 1 Equity Shares held, in the last 12 months which may be at lower than the Issue Price. The Equity Shares allotted to shareholders pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions, and passage of time. For further details, see "*Capital Structure*" on page 76 of this *Draft Red Herring Prospectus*. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Issue Price and the trading price of our Equity Shares after listing.

68. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the stock exchange(s) in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the stock exchange(s). Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

69. Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

70. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index- based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any time

71. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

Pursuant to the Finance Act, 2020 and after March 31, 2020, dividends declared, distributed or paid by a domestic company would not be exempt in the hands of both resident and non-resident shareholders and are subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Further, the Finance Act, 2019 introduced new provisions under the Indian Stamp Act, 1899, which provide that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

We cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, results of operations and financial condition.

72. Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.

Our operations including our offices may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our offices. Any of the above factors may adversely affect our business, financial condition and results of operations. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

73. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required.

Shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT as consolidated in the FDI Policy with effect from October 15, 2020, and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which share a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India. Any such approval(s) would be subject to the discretion of the regulatory authorities. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. Further, if our Company ceases to be "owned and controlled" by resident Indian entities, we will be subject to additional investment and exit restrictions under the FDI Policy and the FEMA.

74. Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute

in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2024 ("Finance Bill"), has introduced various amendments. The Finance Bill has received assent from the President of India on February 15, 2024, and has been enacted as the Finance Act, 2024. We cannot predict whether any amendments made pursuant to the Finance Act, 2024 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

75. Regulation of greenhouse gas emissions and climate change issues may adversely affect our operations.

Many governments are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels. Where legislation already exists, regulations relating to emission levels and energy efficiency are generally becoming more stringent. Some of the costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs, and this may have a material adverse impact on our financial condition and results of operations. Further, India and many other nations are signatories to international agreements related to climate change including the 1992 United Nations Framework Convention on Climate Change, which is intended to limit or capture emissions of greenhouse gas, such as carbon dioxide and the 2016 Paris Agreement, which extended the potentially binding set of emissions targets to all nations. Our compliance with any new environmental laws or regulations, particularly relating to greenhouse gas emissions, may require significant capital expenditure or result in the incurrence of fees and other penalties in the event of non-compliance. We cannot guarantee that future legislative, regulatory, international law, industry, trade or other developments will not negatively impact our operations and the demand for the products we sell. If any of the foregoing were to occur, our business, financial condition and results of operations may be adversely affected.

76. Our business is substantially affected by prevailing economic, political, social and other conditions which may harm our ability to do business, increase our costs and negatively affect our stock price.

We are incorporated in and all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;

- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain, manufacturing facility and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

77. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

78. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

79. Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other

resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects.

80. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

81. A third-party could be prevented from acquiring control of us post this Issue, because of anti-takeover provisions under Indian Law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Issue. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

82. Our Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Our Company and the Book Running Lead Manager will appoint Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of the Equity Shares has been determined by our Company in consultation with the BRLM through the Book Building Process.

83. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have in the past experienced substantial dislocations, liquidity disruptions and market corrections.

84. Rights of shareholders of companies under Indian law may be different compared to the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

85. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/ Issue Closing Date.

Pursuant to the SEBI ICDR Regulations, Qualified Institutional Buyers and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/ Issue Period and until the Bid/ Issue Closing Date, but not thereafter. Therefore, Qualified Institutional Buyers and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

SECTION IV – INTRODUCTION

THE ISSUE

PRESENT ISSUE OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Issued [(1)(2)(3)]	Up to 45,90,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
Out of which:	
Issue Reserved for the Market Maker	Up to [●] Equity Shares of face value of ₹10/- each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
Net Issue to the Public	Up to [●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
Out of which*	
A. QIB Portion [(4)(5)]	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs.
Of which:	
i) Anchor Investor Portion	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
Pre and Post – Issue Equity Shares	
Equity shares outstanding prior to the Issue	1,27,31,250 Equity Shares of face value of ₹10/- each fully paid-up
Equity shares outstanding after the Issue	Up to [●] Equity Shares of face value of ₹10/- each fully paid-up
Use of Net Proceeds	Please refer to the chapter titled "*Objects of the Issue*" beginning on page 89 of this Draft Red Herring Prospectus

**Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.*

Notes:

(1) The Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being issued to the public for subscription.

(2) The Issue including has been approved by our Board pursuant to the resolutions passed at its meetings held on July 17, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on July 17, 2024.

(3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that: (a) not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders; (b) not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders; and (c) not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category. Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders; not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders and not more than 50% of the Net Issue to QIBs.

(4) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of

Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Our Company in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled "*Issue Procedure*" beginning on page 292 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

ANNEXURE – I: RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Annexure	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	A	254.63	254.63	254.63
(b) Reserves and surplus		1,707.42	1,234.74	1,061.81
		1,962.04	**1,489.36**	**1,316.43**
Non-current liabilities				
(a) Long-term Borrowings	B, B(A) and B(B)	1,282.98	1,054.06	838.80
(b) Deferred tax liabilities (net)	C	137.81	135.61	87.56
(c) Long term provisions	D	-	-	20.45
		1,420.78	1,189.67	946.81
Current liabilities				
(a) Short term borrowings	B, B(A) and B(B)	480.96	508.09	178.46
(b) Trade payables	E			
(i) total outstanding dues of micro and small enterprises		166.17	302.96	533.38
(ii) total outstanding dues of creditors other than micro and small enterprises		823.29	611.00	1,094.25
(c) Other current liabilities	F	245.60	320.28	312.11
(d) Short-term provisions		148.48	3.26	35.12
		1,864.49	**1,745.60**	**2,153.31**
TOTAL		**5,247.32**	**4,424.63**	**4,416.55**
ASSETS				
Non-current assets				
(a) Property, plant and equipment	G			
(i) Tangible		3,087.23	3,110.00	2,268.81
(ii) Intangible				
(iii) Capital Work in Progress		59.57	0.00	115.75
(b) Non-Current Investments	H	5.00	5.00	5.00
(c) Deferred tax assets (net)	C			
(d) Long-term loans and advances	I	123.23	120.07	118.61
		3,275.03	**3,235.07**	**2,508.17**
Current assets				
(a) Current Investment	J	-	-	-
(b) Inventories	K	660.26	605.37	551.67
(c) Trade receivables	L	925.27	327.70	820.59
(d) Cash and bank balance	M	129.43	35.59	106.60
(e) Short-term loans and advances	N	224.78	205.57	426.54
(f) Other Current Assets	O	32.53	15.33	2.98
		1,972.28	**1,189.57**	**1,908.39**
TOTAL		**5,247.32**	**4,424.63**	**4,416.55**

ANNEXURE – II: STATEMENT OF PROFIT & LOSS

(₹ in Lakhs)

Particulars	Annexure	For The Year Ended 31st March		
		2024	**2023**	**2022**
Revenue:				
Revenue from operations	P	4,639.11	5,035.79	6,702.06
Other income	Q	57.72	66.18	76.57
TOTAL INCOME		**4,696.83**	**5,101.97**	**6,778.63**
Expenses:				
(a) Cost of Goods sold	R	3,190.70	4,073.55	5,568.45
(b) Purchase of stock-in-trade		-	-	-
(c) Changes in Inventory of Finished goods	S	(138.37)	(144.63)	(17.14)
(d) Employee benefits expense	T	278.17	289.54	194.41
(e) Finance costs	U	196.37	122.82	54.39
(f) Depreciation and amortisation expense	V	169.65	140.71	105.18
(g) Other expenses	W	355.73	381.55	408.51
TOTAL EXPENSES		**4,052.25**	**4,863.54**	**6,313.80**
Profit / (Loss) before tax		**644.59**	**238.43**	**464.83**
Exceptional Item		-	-	-
Profit / (Loss) before tax		**644.59**	**238.43**	**464.83**
Tax expenses:				
(a) Current tax expense		169.71	17.45	98.13
(b) Short/ (Excess) provision of earlier year				
(c) Deferred tax expense / (benefit)		2.20	48.05	24.64
Net tax expense/(benefit)		171.91	65.50	122.77
Profit / (Loss) for the year		**472.68**	**172.93**	**342.06**
Earning Per share (Face value of Rs. 10)				
Basic		**3.71**	**1.36**	**2.98**
Diluted		**3.71**	**1.36**	**2.98**

ANNEXURE – III: STATEMENT OF CASH FLOW

(₹ in Lakhs)

PARTICULARS	For the Period/ Year ended on		
	March 2024	**March 2023**	**March 2022**
A) Cash Flow from Operating Activities:			
Net Profit before tax	**644.59**	**238.43**	**464.83**
Adjustment for:			
Depreciation	169.65	140.71	105.18
Interest Paid	183.41	111.49	40.29
Provision of Gratuity	-	(20.45)	-
Loss/(Profit) on Sale of Asset	-	-	-
Interest Income	(23.14)	(28.23)	(40.90)
Profit/(Loss) on sale of Investment	-	-	-
Operating profit before working capital changes	**974.50**	**441.95**	**569.41**
Changes in Working Capital			
(Increase)/Decrease in Inventory	(54.89)	(53.70)	(124.20)
(Increase)/Decrease in Current Investment	-	-	-
(Increase)/Decrease in Trade Receivables	(597.58)	492.90	(401.74)
(Increase)/Decrease in Short Term Loans & Advances and Provisions	(19.21)	220.97	(173.84)
(Increase)/Decrease in Other Current Assets	(17.20)	(12.35)	(2.98)
Increase/(Decrease) in Trade Payables	75.50	(713.67)	424.24
Increase/(Decrease) in Other Current Liabilities	(74.68)	8.18	(137.45)
Increase/(Decrease) in Short Term & Long-Term Provisions	(1.73)	(4.27)	6.75
Cash generated from operations	284.71	380.00	160.18
Less: - Income Taxes paid	(22.77)	(45.04)	(73.83)
Net cash flow from operating activities	**261.94**	**334.97**	**86.34**
B) Cash Flow From Investing Activities:			
Purchase of Fixed Assets including of CWIP	(206.45)	(866.15)	(506.55)
Increase/(Decrease) in Long Term Loans and Advances	(3.16)	(1.46)	(53.36)
Interest Income	23.14	28.23	40.90
Net cash flow from investing activities	**(186.47)**	**(839.38)**	**(519.02)**
C) Cash Flow From Financing Activities:			
Proceeds from Issue of Share Capital	-	-	181.88
Increase/(Decrease) in Short Term Borrowings	(27.13)	329.63	(98.98)
Increase/(Decrease) in Long Term Borrowings	228.91	215.26	413.19
Interest Paid	(183.41)	(111.49)	(40.29)
Net cash flow from financing activities	**18.38**	**433.41**	**455.80**
Net Increase/(Decrease) In Cash & Cash Equivalents	93.84	(71.01)	23.12
Cash equivalents at the beginning of the year	35.59	106.60	83.48
Cash equivalents at the end of the year	**129.43**	**35.59**	**106.60**

GENERAL INFORMATION

REGISTERED OFFICE OF OUR COMPANY

Technichem Organics Limited
5th Floor, Malak Complex, Behind Old Gujarat High Court,
Navrangpura, Ahmedabad – 380009, Gujarat, India.
Tel No: 079-27543722
Email: investors@technichemorganics.com
Website: www.technichemorganics.com
CIN: U24231GJ1996PLC028917
Registration Number: 028917

For further details and details of changes in the registered office of our company, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 163 of this Draft Red Herring Prospectus.

CORPORATE OFFICE OF OUR COMPANY

N.A.

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad
Ministry of Corporate Affairs,
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad-380013, Gujarat, India.
Tel No: 079-27438531
Email: roc.ahmedabad@mca.gov.in
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

BSE SME
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India
Tel No: 022 – 2272 1233/34
Website: www.bseindia.com

BOARD OF DIRECTORS

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Mr. Bharat Jayantilal Pandya	Chairman & Managing Director	00921775	5, Arya-1, Opp. State Bank of India, Panjarapole Char Rasta, Nr. Goyal Tower, Ahmadabad City, Manekbag, Ahmedabad - 380015, Gujarat, India.
Mr. Pandya Anilkumar Jayantilal	Whole Time Director	00921815	603, Ambience Tower, Near Tulip Bunglow, Bodakdev, Vastrapur, Ahmedabad City, Ahmedabad – 380054, Gujarat, India.
Mr. Piyush Maganlal Nathwani	Whole Time Director	07112017	F-14, Gods Gift, Shashwat Bungalows, Dahej Bypass Road, Bharuch-392001, India.
Ms. Anal Ruchir Desai	Non-Executive Independent Director	02636329	8-A, Yogeshwar Nagar Society, Bhatta Paldi, Ahmedabad City, Ahmedabad, Paldi – 38007, Gujarat, India.
Mr. Utsav Milan Shah	Non-Executive Independent Director	07828652	Plot no - 184, Room no -13, Manibai Trust House, Sion Main Road, Near Sion Hospital, Sion-West, Mumbai, Mumbai- 400022, Maharashtra, India.

Name	Designation	DIN	Residential Address
Ms. Jaina Mehulbhai Mehta	Non-Executive Independent Director	08573437	202, Ambience Tower, Near Reliance Fresh, Chief Justice Bunglow Lane, Judges Bunglow Road, Ahmedabad City, Ahmedabad – 380054, Gujarat, India.

For detailed profile of our Board of Directors, please see chapter titled "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Thakkar Parth B is our Company Secretary and Compliance Officer. His contact details are as follows:

Mr. Thakkar Parth B
5th Floor, Malak Complex, Behind Old Gujarat High Court,
Navrangpura, Ahmedabad – 380009, Gujarat, India.
Tel No: 079-27543722
Email: investors@technichemorganics.com
Website: www.technichemorganics.com

Investor grievances:

Bidders may contact the Company Secretary and Compliance Officer, BRLM or the Registrar to the Issue in case of any pre-issue or post-issue related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

CHIEF FINANCIAL OFFICER

Mr. Narayansingh Jaisingh Deora
5th Floor, Malak Complex, Behind Old Gujarat High Court,
Navrangpura, Ahmedabad – 380009, Gujarat, India.
Tel No: 079-27543722
Email: investors@technichemorganics.com
Website: www.technichemorganics.com

BOOK RUNNING LEAD MANAGER

Shreni Shares Limited
(Formerly Known as Shreni Shares Private Limited)
No. 217, Hive 67 Icon, Poisar Gymkhana Road,
Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall,
Kandivali West, Mumbai – 400067, Maharashtra, India.
Tel No: 022 - 2089 7022
Email: shrenishares@gmail.com

Website: www.shreni.in
Investor Grievance E-mail: info@shreni.in
Contact Person: Ms. Tanya Goyal
SEBI Registration No.: INM000012759

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400 093,
Maharashtra, India
Tel No: 022 – 6263 8200
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance E-mail: investor@bigshareonline.com
Contact Person: Mr. Babu Rapheal C.
SEBI Registration No.: INR000001385

LEGAL ADVISOR TO THE ISSUE

M/s. Asha Agarwal & Associates
118, Shila Vihar, Gokulpura,
Kalwar Road, Jhotwara,
Jaipur – 302 012, Rajasthan, India
Tel No: +91 99509 33137
Email: ashaagarwalassociates@gmail.com
License: 75654/R/38/2016
Contact Person: Ms. Nisha Agarwal

BANKERS TO THE COMPANY

Standard Chartered Bank
1st Floor, Raindrops Building, C G Roads,
Opposite Cargo Ford Motors, Ahmedabad, Gujarat India
Tel No.: 9879511031
Email: Ayaz.Saiyed@sc.com
Website: www.Sc.com
Contact Person: Mr. Ayaz Saiyed

STATUTORY AUDITOR OF OUR COMPANY

M/s. Devpura Navlakha & Co.
401, Ashoka Complex, Opposite Abhushan Complex,
Near Golden Triangle, Sardar Patel Stadium Road,
Navrangpura, Ahmedabad – 380014, Gujarat, India.
Tel No.: 9825933470
Email: devpuraad1@gmail.com
Contact Person: Ms. Ashwini Devpura
Membership No.: 047390
Firm Registration No.: 121975W
Peer Review Registration No.: 016334

PEER REVIEWED AUDITORS OF OUR COMPANY

M/s. Mundra & Co., Chartered Accountants
513, Apex Mall, 4th Floor, Lal Kothi,
Tonk Road, Jaipur-302018, Rajasthan, India.
Tel No.: +91-8239487569
Email: canitinjpr@gmail.com
Contact Person: CA Nitin Khandelwal
Membership No.: 414387

Firm Registration No.: 013023C
Peer Review Registration No.: 014184

M/s. Mundra & Co., Chartered Accountants hold a peer review certificate dated April 27,2022 issued by the Institute of Chartered Accountants of India.

BANKERS TO THE ISSUE / ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC ISSUE BANK

*[●]

SYNDICATE MEMBER

*[●]

***The Banker to the Issue and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the ROC.*

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Shreni Shares Limited *(Formerly Known as Shreni Shares Private Limited)* is the sole Book Running Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

SELF-CERTIFIED SYNDICATE BANKS ("SCSBs")

The list of recognised intermediaries notified by SEBI is available at is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBS AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

SYNDICATE SCSB BRANCHES

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

REGISTERED BROKERS

Bidders (other than RIBs) can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at https://www.bseindia.com, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS ("RTA")

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and email address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10.

COLLECTING DEPOSITORY PARTICIPANTS ("CDP")

The list of the Collecting Depository Participants (CDPs) eligible to accept Bid-cum-Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 for CDSL CDPs, as updated from time totime. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms fromthe Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

This being an Issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, there is no requirement of appointing an IPO Grading agency.

DEBENTURE TRUSTEES

Since this is not a debenture issue, appointment of debenture trustee in not required.

MONITORING AGENCY

Since our Issue size does not exceed ₹ 10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

FILING OF THE DRAFT RED HERRING PROSPECTUS

The Draft Red Herring Prospectus shall be filed on BSE SME situated at 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and the Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number

SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at https://siportal.sebi.gov.in. SEBI will not issue any observation on the offer document in terms of Regulation 246 (2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Ahmedabad situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India at least (3) three working days prior from the date of opening of the Issue.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue.

TYPE OF ISSUE

The present Issue is considered to be 100% Book-Building Issue.

GREEN SHOE OPTION

No green shoe option is contemplated under the Issue.

EXPERTS TO THE ISSUE

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received a written consent dated July 30, 2024 from our Peer Review Auditor, namely, M/s. Mundra & Co., Chartered Accountants, who hold a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Peer Review Auditor, and in respect of their (a) examination report dated July 19, 2024, on the Restated Financial Statements, and (b) report dated July 19, 2024 by the Peer Review Auditor on the statement of special tax benefits.

Further, our Company has received written consent dated July 31, 2024, from M/s. Mukund M. Patki, Independent Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certificates July 15, 2024, July 25, 2024 and July 25, 2024 certifying, inter alia, list of plant and machinery, necessary approvals as required for our proposed plant-4 and the capacity utilization details, respectively.

Such consent has not been withdrawn as on the date of this Draft Red herring Prospectus. However, the term "expert" and "consent" shall not be construed to mean an "expert" and "consent" as defined under the U.S. Securities Act.

CHANGES IN AUDITORS

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Red Herring Prospectus.

BOOK BUILDING PROCESS

Book building, in the context of the Issue, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus, the Bid Cum Application Forms and the Revision Forms, if any, within the Price Band and the minimum Bid Lot, which will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Hindi daily newspaper, [●], (Hindi being the regional language of Madhya Pradesh, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective website. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date. For details, see "*Issue Procedure*" beginning on page 292 of this Draft Red Herring Prospectus.

All Bidders other than Anchor Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs. In addition to this,

the Retail Individual Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs or by using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs could use the UPI Mechanism and could also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors were not permitted to participate in the Issue through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIIs and the Anchor Investors, allocation in the Issue will be on a proportionate basis. Further, allocation to Anchor Investors will be on a discretionary basis.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

For further details, see "*Terms of the Issue*", "*Issue Structure*" and "*Issue Procedure*" beginning on pages 279, 288 and 292 of this Draft Red Herring Prospectus, respectively.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.

Bidders should note that, the Issue is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten by Shreni Shares Limited *(Formerly Known as Shreni Shares Private Limited)* in the capacity of Underwriter to the Issue. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this Issue:

(₹ in Lakhs)

Details of the Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten	% of total Issue size underwritten
Shreni Shares Limited *(Formerly Known as Shreni Shares Private Limited)* Office No. 217, Hive 67 Icon, Poisar Gymkhana Road Lokmanya Tilak Nagar, Poisar, Near Raghuleela Mall, Kandivali West, Mumbai - 400067, Maharashtra, India **Tel No:** 022 - 2089 7022 **Email:** shrenishares@gmail.com **Website:** www.shreni.in **Investor Grievance E-mail:** info@shreni.in **Contact Person:** Ms. Tanya Goyal **SEBI Registration No.:** INM000012759	Up to 45,90,000*	[●]	[●]

**Includes up to* [●] *Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.*

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

MARKET MAKER

*[●]

The Market Maker shall be appointed prior to filing of the Red Herring Prospectus with the ROC.

DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issue.

[●] registered with BSE SME will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.

2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE and SEBI from time to time.

3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to Issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.

4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.

7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.

8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE from time to time.

9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by them.

10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

12. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

13. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/ fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

15. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

16. **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

17. **Punitive Action in case of default by Market Maker:** BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

18. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹250 Crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.

- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

19. The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

20. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Maker during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue Size)
Up to ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

21. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.

22. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

23. On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
A.	**Authorized Share Capital** [(1)]		
	1,80,00,000 Equity Shares of face value of ₹10/- each	1,800.00	-
B.	**Issued, Subscribed and Paid-Up Equity Capital before the Issue**		
	1,27,31,250 Equity Shares of face value of ₹10/- each	1,273.12	-
C.	**Present Issue in Terms of this Draft Red Herring Prospectus** [(1)]		
	Issue of up to 45,90,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 459.00	[●]
	of which		
	Fresh Issue of up to 45,90,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 459.00	[●]
	Which Includes:		
	Up to [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] /- per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net issue to Public of Up to [●] Equity Shares of ₹10/- each at a price of ₹ [●] /- per Equity Share to the Public	[●]	[●]
	Of Which		
	At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds	[●]	[●]
D.	**Issued, Subscribed and Paid-Up Capital After the Issue***		
	Up to 1,73,21,250 Equity Shares of face value of ₹10/- each	Up to 1,732.13	-
E.	**Securities Premium Account**		
	Before the Issue	47.25	
	After the Issue	[●]	

** To be included upon finalisation of Issue Price.*

(1) The Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on July 17, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on July 17, 2024.

CLASS OF SHARES

As on the date of Draft Red Herring Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

a) The initial authorized share capital of ₹ 5,00,000 /- divided into 50,000 Equity Shares of ₹10/- each.

b) The Authorized Share Capital was increased from ₹ 5,00,000 /- divided into 50,000 Equity Shares of ₹10/- each to ₹ 50,00,000 /- divided into 5,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated January 19, 1997.

c) The Authorized Share Capital was increased from ₹ 50,00,000 /- divided into 5,00,000 Equity Shares of ₹10/- each to ₹ 75,00,000 /- divided into 7,50,000 equity shares of ₹10/- each vide Shareholders' Resolution dated March 12, 2001.

d) The Authorized Share Capital was increased from ₹ 75,00,000 /- divided into 7,50,000 Equity Shares of ₹10/- each to ₹ 1,75,00,000 /- divided into 17,50,000 equity shares of ₹10/- each vide Shareholders' Resolution dated July 21, 2021.

e) The Authorized Share Capital was increased from ₹ 1,75,00,000 /- divided into 17,50,000 Equity Shares of ₹10/- each to ₹ 3,00,00,000 /- divided into 30,00,000 equity shares of ₹10/- each vide Shareholders' Resolution dated November 24, 2021.

f) The Authorized Share Capital was increased from ₹ 3,00,00,000 /- divided into 30,00,000 Equity Shares of ₹10/- each to ₹ 18,00,00,000 /- divided into 1,80,00,000 equity shares of ₹10/- each vide Shareholders' Resolution dated April 12, 2024.

2. Equity Share Capital History of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	200	10/-	10/-	Cash	Subscription to MOA [(i)]	200	2,000	Nil
February 28, 1997	3,50,000	10/-	10/-	Cash	Further Allotment[(ii)]	3,50,200	35,02,000	Nil
June 06, 1997	1,24,800	10/-	10/-	Cash	Further Allotment[(iii)]	4,75,000	47,50,000	Nil
March 30, 2002	52,500	10/-	100/-	Cash	Further Allotment[(iv)]	5,27,500	52,75,000	47,25,000
January 31, 2007	2,00,000	10/-	10/-	Cash	Further Allotment[(v)]	7,27,500	72,75,000	47,25,000
December 06, 2021	18,18,750	10/-	10/-	Cash	Right Issue[(vi)]	25,46,250	2,54,62,500	47,25,000
April 18, 2024	1,01,85,000	10/-	Nil/-	Other than Cash	Bonus Issue[(vii)]	1,27,31,250	12,73,12,500	47,25,000

(i) Initial Subscribers to the Memorandum of Association of our company:

Sr. No	Name	No of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	100
2.	Mr. Pandya Anilkumar Jayantilal	100
	Total	**200**

(ii) Further Issue of 3,50,000 Equity Shares of face value of ₹10/ - at a price of ₹10/- each:

Sr. No	Name	No of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	1,50,000
2.	Mr. Pandya Anilkumar Jayantilal	1,50,000
3.	Late Jayantilal Harjivandas Pandya	20,000
4.	Late Hansaben Jayantilal Pandya	10,000
5.	Ms. Alpa Bharat Pandya	10,000
6.	Ms. Shailaja Anil Pandya	10,000

Sr. No	Name	No of Equity Shares
	Total	**3,50,000**

(iii) Further Issue of 1,24,800 Equity Shares of face value of ₹10/- at a price of ₹10/- each

Sr. No	Name	No of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	71,000
2.	Mr. Pandya Anilkumar Jayantilal	35,000
3.	Late Hansaben Jayantilal Pandya	4,000
4.	Ms. Alpa Bharat Pandya	3,400
5.	Ms. Shailaja Anil Pandya	3,500
6.	Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya	4,000
7.	Mr. Pandya Anilkumar Jayantilal jointly with Ms. Shailaja Anil Pandya	3,900
	Total	**1,24,800**

(iv) Further Issue of 52,500 Equity Shares of face value of ₹10/- at a price of ₹100/- each

Sr. No	Name	No of Equity Shares
1.	N.E. Electronics Ltd.	17,100
2.	Online Information Technologies Limited	13,550
3.	ETP Corporation Limited	18,850
4.	Francoise Resources Pvt. Ltd.	3,000
	Total	**52,500**

(v) Further Issue of 2,00,000 Equity Shares of face value of ₹10/- at a price of ₹10/- each

Sr. No	Name	No. of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	1,00,000
2.	Mr. Pandya Anilkumar Jayantilal	1,00,000
	Total	**2,00,000**

(vi) Right Issue of 18,18,750 Equity Shares of face value of ₹10/- at a price of ₹10/- each. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under:

Sr. No	Name	Equity Shares Offered	Equity Shares Received /(Renounced)	Net Balance of Equity Shares	Equity Shares Subscribed/Received by Renunciation	Lapse of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	9,11,625	0	9,11,625	9,11,625	0
2.	Mr. Pandya Anilkumar Jayantilal	8,20,125	0	8,20,125	8,20,125	0
3.	Ms. Alpa Bharat Pandya	33,500	0	33,500	33,500	0
4.	Ms. Shailaja Anil Pandya	33,750	0	33,750	33,750	0
5.	Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya	10,000	0	10,000	10,000	0
6.	Mr. Pandya Anilkumar Jayantilal jointly with Ms. Shailaja Anil Pandya	9,750	0	9,750	9,750	0
	Total	**18,18,750**	**-**	**18,18,750**	**18,18,750**	**-**

(vii) Bonus Issue of 1,01,85,000 Equity Shares of face value of ₹10/- in the ratio of 4:1 i.e., 4 Bonus equity shares for 1 Equity Shares held allotted on April 18, 2024.

Sr. No	Name	No. of Equity Shares
1.	Mr. Bharat Jayantilal Pandya	51,05,100
2.	Mr. Pandya Anilkumar Jayantilal	45,92,700
3.	Ms. Alpa Bharat Pandya	1,87,600
4.	Ms. Shailaja Anil Pandya	1,89,000

5.	Ms. Vama Bharatbhai Pandya	28,000
6.	Ms. Parita Bharatbhai Pandya	28,000
7.	Mr. Pandya Shail Anil	54,600
	Total	**1,01,85,000**

3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation;

Date of Allotment	**No. of Equity Shares**	**Face Value (Rs.)**	**Issue Price (Rs.)**	**Reasons of Allotment**	**Benefits accrued to company**	**Allottees**	**No. of Shares Allotted**
April 18, 2024	1,01,85,000	10/-	NIL	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Bharat Jayantilal Pandya	51,05,100
						Mr. Pandya Anilkumar Jayantilal	45,92,700
						Ms. Alpa Bharat Pandya	1,87,600
						Ms. Shailaja Anil Pandya	1,89,000
						Ms. Vama Bharatbhai Pandya	28,000
						Ms. Parita Bharatbhai Pandya	28,000
						Mr. Pandya Shail Anil	54,600

4. No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.

5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.

6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.

7. Except as disclosed below, we have not issued any Equity Shares at price below Issue price within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	**No. of Equity Shares**	**Face Value (₹)**	**Issue Price (₹)**	**Reasons of Allotment**	**Benefits accrued to company**	**Allottees**	**No. of Shares Allotted**
April 18, 2024	1,01,85,000	10/-	Nil	Bonus Issue	Capitalization of Reserves & Surplus	Mr. Bharat Jayantilal Pandya	51,05,100
						Mr. Pandya Anilkumar Jayantilal	45,92,700
						Ms. Alpa Bharat Pandya	1,87,600
						Ms. Shailja Anil Pandya	1,89,000
						Ms. Vama Bharatbhai Pandya	28,000
						Ms. Parita Bharatbhai Pandya	28,000
						Mr. Pandya Shail Anil	54,600

8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares 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 Underlying Outstanding convertible securities	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital)	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	No (a)	As a % of total Shares	
								Class-Equity	Class	Total								
A	Promoters & Promoter group	7	1,24,31,250	-	-	1,24,31,250	97.64 %	1,24,31,250	-	1,24,31,250	97.64 %	-	97.64 %	-	-	-	-	1,24,31,250
B	Public	6	3,00,000	-	-	3,00,000	2.36 %	3,00,000	-	3,00,000	2.36 %	-	2.36 %	-	-	-	-	3,00,000
C	Non - Promoters Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**13**	**1,27,31,250**	**-**	**-**	**1,27,31,250**	**100.00%**	**1,27,31,250**	**-**	**1,27,31,250**	**100.00%**	**-**	**100.00 %**	**-**	**-**	**-**	**-**	**1,27,31,250**

9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre- Issue Equity Share Capital (%)
A.	Mr. Bharat Jayantilal Pandya	62,31,375	48.95%
B.	Mr. Pandya Anilkumar Jayantilal	55,90,875	43.91%
C.	Ms. Alpa Bharat Pandya	2,34,500	1.84%
D.	Ms. Shailaja Anil Pandya	2,36,250	1.86%
E.	Ms. Poonam Gupta	1,29,000	1.01%
	Total	**1,24,22,000**	**97.57%**

10. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
1.	Mr. Bharat Jayantilal Pandya	12,76,275	50.12%
2.	Mr. Pandya Anilkumar Jayantilal	11,48,175	45.09%
3.	Ms. Alpa Bharat Pandya	46,900	1.84%
4.	Ms. Shailja Anil Pandya	47,250	1.86%
	Total	**25,18,600**	**98.91%**

11. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of then pre-Issue Equity Share Capital (%)
1.	Mr. Bharat Jayantilal Pandya	12,76,275	50.12%
2.	Mr. Pandya Anilkumar Jayantilal	11,48,175	45.09%
3.	Ms. Alpa Bharat Pandya	46,900	1.84%
4.	Ms. Shailja Anil Pandya	47,250	1.86%
	Total	**25,18,600**	**98.91%**

12. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Issue Equity Share Capital (%)
1.	Mr. Bharat Jayantilal Pandya	63,81,375	50.12%
2.	Mr. Pandya Anilkumar Jayantilal	57,40,875	45.09%
3.	Ms. Alpa Bharat Pandya	2,34,500	1.84%
4.	Ms. Shailja Anil Pandya	2,36,250	1.86%
	Total	**1,25,93,000**	**98.91%**

13. Our Company has not made any public Issue (including any rights issue to the public) since its incorporation.

14. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the issue by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by our Board of Directors to be in the interest of our Company.

15. Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 95.22% of the pre- Issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition /Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
Mr. Bharat Jayantilal Pandya									
On Incorporation	Subscription to MOA	Cash	100	100	10/-	10/-	Negligible	[●]%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition /Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
February 28, 1997	Further Allotment	Cash	1,50,000	1,50,100	10/-	10/-	1.18%	[●]%	No
June 06, 1997	Further Allotment	Cash	71,000	2,21,100	10/-	10/-	0.56%	[●]%	No
June 06, 1997*	Further Allotment	Cash	4,000	2,25,100	10/-	10/-	0.03%	[●]%	No
January 31, 2007	Further Allotment	Cash	1,00,000	3,25,100	10/-	10/-	0.79%	[●]%	No
March 15, 2017	Transmission from Late Jayantilal Harijivandas Pandya	Other than Cash	20,000	3,45,100	10/-	Nil	0.16%	[●]%	No
March 15, 2017	Transmission from Late Hansaben Jayantilal Pandya	Other than Cash	10,000	3,55,100	10/-	Nil	0.08%	[●]%	No
March 15, 2017	Transfer from Online Information Technologies Limited	Cash	13,550	3,68,650	10/-	10/-	0.11%	[●]%	No
December 06, 2021	Right Issue	Cash	9,11,625	12,80,275	10/-	10/-	7.16%	[●]%	No
December 06, 2021*	Right Issue	Cash	10,000	12,90,275	10/-	10/-	0.08%	[●]%	No
April 01, 2024*	Gift to Ms. Vama Bharatbhai Pandya	Other Than Cash	(7,000)	12,83,275	10/-	Nil	(0.05%)	[●]%	No
April 01, 2024*	Gift to Ms. Parita Bharatbhai Pandya	Other Than Cash	(7,000)	12,76,275	10/-	Nil	(0.05%)	[●]%	No
April 18, 2024	Bonus Issue	Other Than Cash	51,05,100	63,81,375	10/-	Nil	40.10%	[●]%	No
August 22, 2024	Transfer to Ms. Poonam Gupta	Cash	(1,29,000)	62,52,375	10/-	58/-	1.01%	[●]%	No
August 22, 2024	Transfer to Ms. Jyothi Subramaniam	Cash	(21,000)	62,31,375	10/-	58/-	0.16%	[●]%	No
Total			**62,31,375**				**48.95%**		
Mr. Pandya Anilkumar Jayantilal									
On Incorporation	Subscription to MOA	Cash	100	100	10/-	10/-	Negligible	[●]%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition /Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
February 28, 1997	Further Allotment	Cash	1,50,000	1,50,100	10/-	10/-	1.18%	[●]%	No
June 6, 1997	Further Allotment	Cash	35,000	1,85,100	10/-	10/-	0.27%	[●]%	No
June 6, 1997**	Further Allotment	Cash	3,900	1,89,000	10/-	10/-	0.03%	[●]%	No
January 31, 2007	Further Allotment	Cash	1,00,000	2,89,000	10/-	10/-	0.79%	[●]%	No
March 15, 2017	Transmission from Late Hansaben Jayantilal Pandya	Other than Cash	4,000	2,93,000	10/-	Nil	0.03%	[●]%	No
March 15, 2017	Transfer from N.E. Electronics Ltd.	Cash	17,100	3,10,100	10/-	10/-	0.13%	[●]%	No
March 15, 2017	Transfer From ETP Corporation Limited	Cash	18,850	3,28,950	10/-	10/-	0.15%	[●]%	No
March 15, 2017	Transfer from Francoise Resources Pvt. Ltd.	Cash	3,000	3,31,950	10/-	10/-	0.02%	[●]%	No
December 6, 2021	Right Issue	Cash	8,20,125	11,52,075	10/-	10/-	6.44%	[●]%	No
December 6, 2021**	Right Issue	Cash	9,750	11,61,825	10/-	10/-	0.08%	[●]%	No
April 01, 2024**	Gift to Mr. Pandya Shail Anil	Other than Cash	(13,650)	11,48,175	10/-	Nil	(0.11%)	[●]%	No
April 18, 2024	Bonus Issue	Other than Cash	45,92,700	57,40,875	10/-	Nil	36.07%	[●]%	No
August 22, 2024	Transfer to Mr. Amit Burad	Cash	(21,000)	57,19,875	10/-	58/-	0.16%	[●]%	No
August 22, 2024	Transfer to Ms. Pushpa Bhati	Cash	(68,000)	56,51,875	10/-	58/-	0.53%	[●]%	No
August 22, 2024	Transfer to Mr. Aniruddh Janardhan Raman	Cash	(21,000)	56,30,875	10/-	58/-	0.16%	[●]%	No
August 22, 2024	Transfer to Mr.Tejas J. Shah	Cash	(40,000)	55,90,875	10/-	58/-	0.31%	[●]%	No
Total			**55,90,875**				**43.91%**		

** Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya.*

*** Mr. Pandya Anilkumar Jayantilal jointly with Ms. Shailaja Anil Pandya.*

16. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group.

Category of Promoter	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
Promoters				
Mr. Bharat Jayantilal Pandya	62,31,375	48.95%	[●]	[●]%
Mr. Pandya Anilkumar Jayantilal	55,90,875	43.91%	[●]	[●]%
Promoter Group				
Ms. Alpa Bharat Pandya	2,34,500	1.84%	[●]	[●]%
Ms. Shailaja Anil Pandya	2,36,250	1.86%	[●]	[●]%
Ms. Vama Bharatbhai Pandya	35,000	0.27%	[●]	[●]%
Ms. Parita Bharatbhai Pandya	35,000	0.27%	[●]	[●]%
Mr. Pandya Shail Anil	68,250	0.54%	[●]	[●]%
Total	**1,24,31,250**	**97.64%**	[●]	**[●]%**

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

Name	Designation	No. of Equity Shares held	% of pre-Issue paid up capital	% of post Issue paid up capital
Mr. Bharat Jayantilal Pandya	Promoter, Chairman and Managing Director	62,31,375	48.95%	[●]%
Mr. Pandya Anilkumar Jayantilal	Promoter and Whole Time Director	55,90,875	43.91%	[●]%

18. Except as mentioned below, there were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Draft Red Herring Prospectus.

Sr. No	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Ms. Vama Bharatbhai Pandya	April 01, 2024	Promoter Group	7000	-	Gift from Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya
2.	Ms. Parita Bharatbhai Pandya			7000	-	
3.	Mr. Pandya Shail Anil	April 01, 2024	Promoter Group	13,650	-	Gift from Mr. Pandya Anilkumar Jayantilal jointly with Ms. Shailaja Anil Pandya
4.	Mr. Pandya Anilkumar Jayantilal jointly with Ms. Shailaja Anil Pandya	April 01, 2024	Promoter and Whole Time Director	-	13,650	Gift to Mr. Shail Anil Pandya
5.	Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya	April 01, 2024	Promoter, Chairman and Managing Director	-	14,000	Gift to Ms. Vama Bharat Pandya and Ms. Parita Bharat Pandya

Sr. No	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
6.	Mr. Bharat Jayantilal Pandya	April 18, 2024	Promoter, Chairman and Managing Director	51,05,100	-	Bonus Issue
7.	Mr. Pandya Anilkumar Jayantilal		Promoter and Whole Time Director	45,92,700	-	
8.	Ms. Alpa Bharat Pandya		Promoter Group	1,87,600	-	
9.	Ms. Shailaja Anil Pandya		Promoter Group	1,89,000	-	
10.	Ms. Vama Bharatbhai Pandya		Promoter Group	28,000	-	
11.	Ms. Parita Bharatbhai Pandya		Promoter Group	28,000	-	
12.	Mr. Pandya Shail Anil		Promoter Group	54,600	-	
13.	Mr. Bharat Jayantilal Pandya	August 22, 2024	Promoter, Chairman and Managing Director	-	1,29,000	Transfer to Ms. Poonam Gupta
14.				-	21,000	Transfer to Ms. Jyothi Subramaniam
15.	Mr. Pandya Anilkumar Jayantilal		Promoter and Whole Time Director	-	21,000	Transfer to Mr. Amit Burad
16.				-	68,000	Transfer to Ms. Pushpa Bhati
17.				-	21,000	Transfer to Mr. Aniruddh Janardhan Raman
18.				-	40,000	Transfer to Mr.Tejas J. Shah

19. 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 Draft Red Herring Prospectus.

20. Promoters' Contribution and Lock-in details

Details of Promoter's Contribution locked-in for three (3) years

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of allotment in this Issue. As on date of this Draft Red Herring Prospectus, our Promoters hold 1,21,22,250 Equity Shares constituting [●] % of the Post Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

Name of Promoter	Date of Allotment/Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Post-Issue Paid-up Capital*	Lock-in Period
Mr. Bharat Jayantilal Pandya	April 18, 2024	51,05,100	19,05,338	10	Nil	Bonus Issue	11%	3 Years
Mr. Pandya Anilkumar Jayantilal	April 18, 2024	45,92,700	19,05,338	10	Nil	Bonus Issue	11%	3 Years

***The above details subject to change post finalization of basis of allotment and to be updated in the Prospectus.*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.

- The Equity Shares acquired during the year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being issued to the public in this Issue is not part of the minimum promoter's contribution.

- The Equity Shares held by the Promoters and issued for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.

- Specific written consent has been obtained from the Promoters for inclusion of 38,10,676 Equity Shares for ensuring lock-in of three years to the extent of minimum 20 % of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.

- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.

- We further confirm that our Promoters' Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

Equity Shares locked-in for one year other than Minimum Promoters' Contribution

- Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue 89,20,574 Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

- Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock - in period and in case such equity shares are dematerialized, the Company shall ensure that the lock - in is recorded by the Depository.

Pledge of Locked in Equity Shares

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

(a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;

(b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

Transferability of Locked in Equity Shares

(a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

(b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

21. Neither the Company, nor it's Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

22. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.

23. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

24. As on date of this Draft Red Herring Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

25. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Issue Procedure*" beginning on page 292 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.

26. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

27. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large

29. We have 13 (Thirteen) Shareholders as on the date of filing of this Draft Red Herring Prospectus.

30. As per RBI regulations, OCBs are not allowed to participate in this Issue.

31. Our Company has not raised any bridge loans.

32. The Equity Shares of our company are in dematerialized form.

33. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.

34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this issue.

35. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.

36. Our Promoters and Promoter Group will not participate in the Issue.

37. There are no safety net arrangements for this Public Issue.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

REQUIREMENT OF FUNDS

The Issue comprises of fresh issue of up to 45,90,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs.

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "***Plant –4***";
2. Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies;

3. General corporate purposes;

(Collectively, referred to herein as the ***"Objects of the Issue"***)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the SME Platform of BSE (BSE SME) including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

ISSUE PROCEEDS

The details of the proceeds of the Issue are set forth in the table below:

(₹ in Lakhs)

Particulars	**Amount***
Gross Proceeds of the Issue	[●]
Less: Issue related Expenses[#]	[●]
Net Proceeds of the Issue	[●]

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*
[#]The Issue related expenses shall be determined at the time of filing Prospectus with RoC.

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the manner set out in the following table:

(₹ in Lakhs)

Sr. No	**Particulars**	**Estimated Amount***	**% of Gross Proceeds**	**% of Net Proceeds**
1.	Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "***Plant –4***"	703.82	**[●]**	**[●]**
2.	Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies	1,023.51	**[●]**	**[●]**
3.	General corporate purposes[#]	**[●]**	**[●]**	**[●]**
	Total*	**[●]**	**[●]**	**[●]**

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Issue.
**To be updated in the Prospectus prior to filing with RoC.*

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Issue **("Net Proceeds")** are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No	Object	Estimated Amount to be financed from Net Proceeds*	Estimated Utilization of Net Proceeds in F. Y. 2024-2025*	Estimated Utilization of Net Proceeds in F. Y. 2025-2026*
1.	Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "***Plant –4***"	703.82	430.00	273.82
2.	Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies	1,023.51	1,023.51	Nil
3.	General corporate purposes[#]	[●]	[●]	[●]
	Total	[●]	[●]	[●]

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue
**To be updated in the Prospectus prior to filing with RoC.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled *"Risk Factors"* on page 30 of this Draft Red Herring Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2024-25 and Fiscal 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year i.e., 2026-27, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the plant and machineries at the same costs. We are yet to place orders for any of the components of the Proposed Objects. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. Further, the Objects of the Issue includes orders for purchase of plant and machineries which have not yet been placed. There can be no assurance that we would be able to procure plant and machineries at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals. For further details, see "Risk Factors" on page 30 of this Draft Red Herring Prospectus.

MEANS OF FINANCE

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals, net worth and existing debt financing. Accordingly, we confirm that there is no requirement for us 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 through the Net Proceeds and existing identifiable internal accruals as required under the SEBI ICDR Regulations.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Funding of capital expenditure requirements of our Company towards setting up of a new plant named as "Plant – 4"

Our Company is mainly engaged in the business of manufacturing of a wide range of chemicals, Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry that serves multiple industries. We currently have 3 Plants named as Plant-1, Plant-2 and Plant-3 at our manufacturing facility located at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India. We are almost utilization about 60%-75% of the capacity installed in our manufacturing facility.

India's chemical sector, which was estimated to be worth US$ 220 billion in 2022, is anticipated to grow to US$ 300 billion by 2025 and US$ 1 trillion by 2040. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US$ 383 billion to India's GDP by 2030 (Source: https://www.ibef.org/industry/chemical-industry-india#:~:text=Markets%20Size-,India's%20chemical%20sector%2 C%20which%20was%20estimated%20to%20be%20worth%20US,to%20India's%20GDP%20by%202030.) For more details, please refer chapter titled "Industry Overview" beginning on page 112 of this Draft Red Herring Prospectus.

To meet the escalating demand in the chemical industry, we intend to establish a new manufacturing facility named as **Plant-4** for our new formulations which will increase the present capacity and subsequently boost our sales and profitability. As part of such investment, we will incur expenditure towards construction and purchase of various Plant and Machinery amounting to ₹ 703.82 Lakhs from Net Proceed of the Issue. We firmly believe that our investment in these construction and plants and machineries will augment our current installed capacity, thereby enabling us to address the demand in the pharmaceutical, agrochemicals, dyes, perfumes, and other industries.

Objectives of capital expenditure towards setting up of new Plant-4:

➢ **Complex Chemistry and Plant Design:** To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to set new plant for manufacturing of 5 new products for the purpose of confidentiality we cannot the disclose the name of such products in the Draft Red Herring Prospectus. Production of some of these new products and similar intermediates involves complex chemical processes that demand a new plant design. This complexity arises from the need for precise control over reaction conditions, which can only be achieved with a facility specifically designed for this purpose. A new plant will provide the flexibility and control required to manage these complex chemistries, ensuring consistent product quality and operational efficiency.

Further, our existing infrastructure is not equipped to handle the specific requirements of these new products. For instance, the synthesis of some compounds involves specialized equipment that we currently do not possess. Investing in a new plant will allow us to acquire the necessary technology and equipment to efficiently produce these compounds. This specialization is not only essential for meeting production targets but also for ensuring the safety and compliance of our processes.

Following are the overview of manufacturing process of our new products: -

- *Raw Material Inspection and Storage*: Received raw materials are inspected for quality and conformity to specifications. Approved materials are stored in designated storage areas under controlled conditions to prevent contamination and degradation.

- *Pre-Treatment*: Raw materials may undergo pre-treatment processes such as drying, grinding, or mixing to prepare them for the production process.

- *Reaction/Production*: Raw materials are fed into reactors where they undergo chemical reactions under controlled conditions of temperature, pressure, and catalysts to produce the desired chemical product. This step often includes multiple stages of reactions.

- *Separation and Purification*: The reaction mixture is transferred to separation units (e.g., distillation columns, centrifuges) to separate the desired product from by-products and unreacted raw materials. Purification processes such as filtration, crystallization, or extraction are applied to achieve the required product purity.

- *Intermediate Storage*: The purified chemical product is stored in intermediate tanks before further processing or packaging.

- *Quality Control:* Samples of the product are taken and analyzed in a laboratory to ensure they meet quality standards and specifications. Any deviations from the standards are addressed before the product proceeds to the next stage.

- *Packaging:* The final product is packaged into appropriate containers (e.g., drums, bags) for distribution. Packaging is labelled with necessary information including product name, batch number, and safety warnings. .

- *Finished Goods Storage:* Packaged products are stored in the warehouse under conditions that maintain their integrity until they are shipped to customers.

➢ **Emphasize our one of the strategies of Shifting from "High Volume – Low Value" to "Low Volume and High Value:** The five new products which we plan to produce from the proposed plant-4 is aligned to our one of the strategies of focusing on high value products with relatively moderate volumes.

➢ **Widen our product portfolio:** Our Company aims to expand and diversify our product portfolio by increasing its product base and introducing new range of product lines. We plan to set up new plant in order to manufacture new products to capture future growth trends. We intend to explore opportunities to expand our operations by developing new products within our existing lines of business. Further expanding our products offerings will help us to build on existing diversification of our business. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.

➢ **Forward Integration**: In line with our focus to provide diversified products solutions and to develop better control on our supply chain and improve our margins, this proposed plant-4 lead to forward integration at our operations which ensures consistent quality control from raw materials to finished products, enhancing our reputation for reliability. These integrated operations reduce costs associated with external sourcing and logistics, leading to better profitability.

➢ **Existing Customer Base**: Our existing customers already use these chemicals, ensuring a ready market for our new products. This familiarity with our client base minimizes the entry barrier and allows for seamless integration of the new products into their supply chains.

➢ **Topline Growth**: The introduction of these new products is expected to substantially increase our revenue. By diversifying our product range, we will be able to cater to a broader market and attract new customers.

➢ **Enhanced Profitability:** These specialty chemicals have high market demand and value, which will contribute to improved profit margins. Our production processes will ensure cost efficiency and quality outputs.

➢ **Market Leadership:** By adding these new products to our portfolio, we aim to strengthen our position as a market leader in the chemical industry. Our commitment to quality and innovation will set us apart from competitors.

Our Board in its meeting dated August 12, 2024 has approved that an amount of ₹ 703.82 Lakhs is proposed to be utilised to set up of a new plant named as "**Plant –4**" from the Net Proceeds for the aforesaid benefits. For further details of the aforesaid expansion, see "Our Business –Our strategies" beginning on page 131 of this Draft Red Herring Prospectus. Our Company has obtained quotations and cost estimates from certain suppliers and contractors for undertaking civil and building works, purchase and installation of plant and machinery and utilities, for the proposed plant-4. However, our Company is yet to place any orders or enter into definitive agreements or any memorandum of understanding for purchase and installation of any of the new plant and machinery and implementation of factory building and civil construction connected with such proposed plant-4.

The capital requirements, the deployment of funds and the intended use of the Net Proceeds for the proposed plant-4, are based on our current business plans, management estimates, current and valid quotations and cost estimates received from the suppliers and contractors and other commercial and technical factors. From the Net Proceeds, we intend to finance (A) plant-4 building and civil construction costs; (B) purchase and installation of new plant and machinery; (C) utilities costs and (D) contingencies.

The detailed break-down of estimated cost of the proposed plant-4, is set forth below:

(₹ in lakhs)

Sr. No.	Particulars	Total estimated Costs^
1.	Plant-4 building and civil construction costs	201.38
2.	Purchase and installation of new plant and machinery	306.18
3.	Utilities costs	162.74
4.	Contingencies	33.52
Total		**703.82**

^As per certificate dated July 27, 2024 issued by M/s Mukund M. Patki, Chartered Engineer.

Location of proposed Plant-4*:* The proposed ***Plant-4*** is adjacent to current facility at Khambhat, Gujarat. Our Company owns the land where the ***Plant-4*** is proposed at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India. The total area of the land at our Khambhat Facility is approximately 26,079 square meters, the land over which the plants are situated is owned by our Company.

The detailed break-up of the estimated cost of establishing the Proposed ***Plant-4*** is set forth below:

A. Plant-4 building and civil construction costs

The measurement of the built-up area of proposed building to be constructed is about 1,572 Square meter. The construction will be for Ground + First + Second + Terrace Level. The measurement of the built-up area of ground level, first level, second level and terrace level including the all-area of staircase, lift wall, separate vessel room at ground, first and second floors, cooling tower and water tank for load on slab at terrace level, watchmen cabin and the area of meter room shall be counted 100% Area of overhead tank. The breakup of construction and civil works are as follows:

(₹ in lakhs)

Particulars	Total estimated Costs^	Name of Supplier/Contractor	Date of Quotation	Validity of Quotation
Civil Construction	201.38	M/s. A M Associates	July 23, 2024	180 days

^ *The entire amount is proposed to be funded from the Net Proceeds, no order for the same has been placed as on the date of this Draft Red Herring Prospectus.*

(1) Layout and building plans are approved by the Town Planning and Valuation Department of Anand vide letter no. B.P. Lunej/Khambhat/1182 dated July 05, 2024.
(2) The estimated cost of project is summarized with all expected expenditures based on certain reasonable assumptions.
(3) The above estimate is based on prevailing market rates of material and labour of local region.
(4) The above estimates are based on quotations which are valid as on date of this Draft Red Herring Prospectus. (5) Subject to applicable taxes, to the extent not included in the estimated cost.

We have not entered into definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged. All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus.

B. Purchase and installation of new plant and machinery; (C) utilities costs and (D) contingencies

Our Company has identified the plant and machinery to be purchased and obtained quotations from respective vendors. The amount to be spent and plant and machinery to be procured by our Company will depend upon business requirements and technology advancement. The details and total estimated cost towards purchasing plant and machinery is as follows:

(₹ in lakhs)

Description	Quantity	Total estimated Costs to be funded from the Net Proceeds	Total estimated costs for which orders are yet to be placed	% of total estimated costs for Which orders are yet to be placed	Name of Supplier /Vendor	Date of Quotation	Validity of Quotation
B. Plant & Machinery							

Description	Quantity	Total estimated Costs to be funded from the Net Proceeds	Total estimated costs for which orders are yet to be placed	% of total estimated costs for Which orders are yet to be placed	Name of Supplier /Vendor	Date of Quotation	Validity of Quotation
M.S. Glasslined Reactors (GLR)	7	83.95	83.95	100%	M/s. Ceracoats	May 23, 2024	180 days
Stainless Steel Reactors (SSR)	6	88.11	88.11	100%	M/s. Shiv Fab & Engineering	May 16, 2024	180 days
Condenser	1	5.80	5.80	100%	M/s. Shiv Fab & Engineering	May 24, 2024	180 days
Distillation column	1	2.33	2.33	100%	M/s. Shiv Fab & Engineering	May 24, 2024	180 days
Agitated Nutch Filter Dryer (ANFD)	1	31.50	31.50	100%	M/s. HLE Glascoat Limited	July 23, 2024	180 days
Cooling Tower	2	12.20	12.20	100%	M/s. Advatech Technologies	May 23, 2024	180 days
Graphite heat exchanger	3	14.55	14.55	100%	M/s. Graphicarb Products	July 26, 2024	180 days
Chilling plant	3	33.95	33.95	100%	M/s. Gyani Electrical & Refrigeration	June 04, 2024	180 days
Centrifuge	1	8.80	8.80	100%	M/s. Skylab Enterprise	May 27, 2024	180 days
High vacuum system	3	2.25	2.25	100%	M/s. Perfect Engineering Services	July 07, 2024	180 days
Pumps	24	22.74	22.74	100%	M/s. Kumarpal Kantilal & Company	July 23, 2024	180 days
Sub-total (B)		***306.18***	***306.18***	***100%***			
C. Utilities							
Scrubber	4	6.33	6.33	100%	M/s. Shiv Fab & Engineering	May 24, 2024	180 days
Cage hoist	1	6.62	6.62	100%	M/s. Sarita Fabricators	May 22, 2024	180 days
Mechanical & Equipment Installation / fabrication	1	85.55	85.55	100%	M/s. Shiv Fab & Engineering	July 09, 2024	180 days
Cable Work with Labour Charge	-	13.13	13.13	100%	M/s. Gyani Electrical & Refrigeration	July 16, 2024	180 days
Electric Work	-	9.53	9.53	100%	M/s. Gyani Electrical & Refrigeration	July 16, 2024	180 days
Instrument Work	-	2.68	2.68	100%	M/s. Alpa Trading Company	July 09, 2024	180 days
Fire Hydrant System	-	15.00	15.00	100%	M/s. D K Enterprise	July 10, 2024	180 days
Insulation Work	-	13.80	13.80	100%	M/s. Saraswati Insulation	July 10, 2024	180 days

Description	Quantity	Total estimated Costs to be funded from the Net Proceeds	Total estimated costs for which orders are yet to be placed	% of total estimated costs for Which orders are yet to be placed	Name of Supplier /Vendor	Date of Quotation	Validity of Quotation
Paint Work	-	10.10	10.10	100%	M/s. Saraswati Insulation	July 10, 2024	180 days
Sub-total (C)		***162.74***	***162.74***	***100%***			
D. Contingencies							
Contingency estimation is equivalent to 5% of the total cost indicated in the quotations obtained by our Company	-	33.52	33.52	-	On Estimation basis as per the certificate of chartered engineer		
Total (B+C+D)		***502.44***	***502.44***	***100%***			

**Excluding GST. GST payable on such machineries will be paid from our internal accruals. Certain quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

Notes:

(a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.

(b) Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipment or at the same costs.

(c) The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

(d) We are not acquiring any second-hand machinery.

(e) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost.

Our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies do not have any interest in the proposed construction of building and civil works, acquisition of plant and machinery, utilities, or in the entities from whom we have obtained quotations in relation to such activities.

Description of Plant & Machinery

Sr. No.	Name of Plant & Machinery	Usage
1.	M.S. Glasslined Reactors (GLR)	Reaction
2.	Stainless Steel Reactors (SSR)	Reaction
3.	Condenser	Condensation
4.	Distillation column	Distillation
5.	ANFD	Filtration and drying
6.	Cooling tower	Colling of water

Sr. No.	Name of Plant & Machinery	Usage
7.	Graphite heat exchanger	Condensation
8.	Chilling plant	Cooling of water to -10° C
9.	Centrifuge	Filtration
10.	High vacuum system	High vacuum during process for high boiling liquid distillation
11.	Pumps	Liquid and water transfers
12.	Cage hoist	Material transfer from various one floors to other floors
13.	Mechanical & Equipment Installation / fabrication	Structure fabrication, piping fabrication, equipment loading / unloading and installation in the plant
14.	Cable Work With Labour Charge	Electricity supply to plant and various equipment
15.	Electric Work	Labour charges for all electrical work
16.	Instrument Work	Purchase and installation of all instruments like pressure gauges, temp indicators, level gauges, limit switches, etc
17.	Fire Hydrant System	Fire water distribution system which can be used in case of any emergency like fire
18.	Insulation Work	Insulation work on equipment and piping to prevent heat loss
19.	Paint Work	Painting work for corrosion prevention
20.	Scrubber	To control air emission

Utilities and Manpower for the Proposed *Plant-4*

Scrubber: Our Company proposes to procure Scrubbers as per the quotation received from M/s. Shiv Fab & Engineering which we finalized among quotations from other vendors, as mentioned above.

Power: Our Company has estimated additional power requirement of about 75 KW for the proposed ***Plant-4*** which is proposed be sourced from State Electricity Board, i.e., Madhya Gujarat Vij Company Ltd.

Fuel: We proposes to use bio coal and bio mass briquettes and the same will be procured from the local vendors from the surrounding regions.

Manpower: The proposed ***Plant-4*** is estimated to require 28 personnel across designations and sections. The proposed ***Plant-4*** location is well developed and therefore it is envisaged that skilled and unskilled manpower is available for the proposed ***Plant-4*** in the surrounding regions.

Estimated Capacity and Estimated Schedule of Implementation

The estimated installed capacity of the proposed "***Plant –4***" is proposed to be an aggregate of 445 tons per annum for our proposed products as per the certificate dated July 27, 2024 issued by M/s Mukund M. Patki, Chartered Engineer and is expected to commence commercial production by second quarter of financial year 2025-2026. The expected schedule of implementation as per the certificate dated July 27, 2024 issued by M/s Mukund M. Patki , Chartered Engineer for the proposed "***Plant –4***"is as follows:

Sr. No.	Particulars	Expected Commencement Period	Expected Completion Period
1.	Land procurement	Not applicable as the proposed ***Plant –4*** is being planned on the existing land of our Khambhat Facility which is owned by our Company	
2.	Factory building (***Plant –4)***–Civil Construction	November 2024	March 2025
3.	Planning and procurement of plant and machineries	January 2025	April 2025
4.	Installation of plant and machineries	April 2025	May 2025
5.	Trial run	June 2025	
6.	Commencement of commercial production	July 2025	

Government Approvals

In relation to the Proposed ***"Plant-4"***, we are required to obtain certain approvals, which are routine in nature, from certain governmental or local authorities, the status of which is provided below as per Chartered Engineer certificate dated July 27, 2024 issued by M/s Mukund M. Patki, Chartered Engineer:

Sr. No.	List of Approvals	Stages when it is required	Status
1.	Factory Plan (***Plant –4)*** approval for construction	We have received layout and building plans approval from Town Planning and Valuation Department of Anand letter no. B.P. Lunej/Khambhat/1182 dated July 05, 2024	Received
2.	Stability Certification/ Building Usage Permission for Factory	Post completion of building construction. Building Stability certificate / Building Usage permission will be received	Yet to Apply
3.	Consolidated consent and authorization from Gujarat Pollution Control Board	Out of 5 new products to be manufactured, company have permission for 3 products and for the rest 2 products, application to be made post installation of plant and machineries in Plant-4.	Yet to Apply
4.	Consent to establish and consent to operate (air and water)		Yet to Apply

2. Repayment or prepayment, in full or in part, of certain borrowings availed by our Company from banks, financial institutions and non-banking financial companies

Our Board in its meeting dated August 12, 2024 took note that an amount of ₹ 1,023.51 Lakhs is proposed to be utilised for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds.

Our Company has entered into financial arrangements from time to time, with banks, financial institutions, non-banking financial companies and other entities. The outstanding loan facilities entered into by our Company include borrowing in the form of Loan against both movable an immovable property of our Company, against personal properties of our promoters cum directors and personal guarantees of them. For further details, please refer "Financial Indebtedness" on page243 of this Draft Red Herring Prospectus. Our Company proposes to utilise an estimated amount of ₹1,023.51 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favourable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides the details of outstanding borrowings availed of by our Company which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

(₹ in lakhs)

Sr. No.	Name of Lender	Secured/ Unsecured	Rate of Interest %	Tenure (In Months)	Amount Sanctioned (In Lacs)	Amount Outstanding as on July 31, 2024 (In Lacs)	Prepayment penalty/ conditions (Exclusive GST) (In Lacs)	Purpose
1	Standard Chartered – ECLGC	Unsecured loan	9.25	48	20.06	0.64	0.00	Working Capital
2	Standard Chartered – NCGTC	Unsecured loan	8.00	60	37.30	30.73	0.00	Working Capital
3	Standard Chartered HS	Unsecured loan	9.25	120	197.76	129.73	0.00	Working Capital
4	Standard Chartered Hs Top Up	Unsecured loan	15.00	36	39.49	5.31	0.00	Working Capital

5	Sidbi Loan - D0007XN4	Secured loan	8.20	54	100.00	96.28	2.89	Capital Expenditure
6	Bajaj Finance Ltd	Unsecured loan	17.90	24	26.42	9.87	0.47	Business Loan
7	Chola Mandalam I & F Co.	Unsecured loan	19.00	36	20.20	14.69	0.59	Business Loan
8	Deutsche Bank	Unsecured loan	17.00	36	50.00	33.51	0.00	Business Loan
9	Fullerton (i) credit co. Ltd	Unsecured loan	15.50	19	60.12	7.39	0.00	Business Loan
10	Godrej Finance Ltd	Unsecured loan	18.00	24	25.00	11.30	0.45	Business Loan
11	Hero Fincorp Ltd	Unsecured loan	17.00	36	25.27	18.22	0.00	Business Loan
12	Kotak Mahindra Bank Ltd	Unsecured loan	15.50	24	50.00	16.17	0.00	Business Loan
13	Mas Financial Services Ltd	Unsecured loan	18.50	24	105.00	57.30	1.15	Business Loan
14	Moneywise Financial Services Pvt Ltd	Unsecured loan	17.50	36	50.19	33.78	0.00	Business Loan
15	Neogrowth Credit Pvt Ltd	Unsecured loan	24.75	30	20.00	13.43	0.67	Business Loan
16	Shriram Finance Ltd	Unsecured loan	17.50	36	30.00	20.20	0.81	Business Loan
17	Unity Small Finance Bank	Unsecured loan	17.75	24	50.00	18.66	0.00	Business Loan
18	Yes Bank Ltd Top Up	Unsecured loan	12.00	61	27.00	23.54	0.00	Business Loan
19	Poonawalla Fincorp Ltd - Las	Unsecured loan	9.50	192	232.00	225.47	4.51	Business Loan
20	Yes Bank Ltd - Las	Unsecured loan	12.00	98	130.00	119.70	0.00	Business Loan
21	GIDC Saykha	Unsecured loan	12.00	40	244.61	137.59	0.00	Capital Expenditure
Total					**1,540.42**	**1,023.51**	**11.54**	

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated July 31, 2024 from Statutory Auditors of our Company certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed by us.

The selection of borrowings proposed to be prepaid, repaid in full or part out of the borrowings provided above, shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty, if any, and other related costs shall be made by us out of the Net Proceeds of the Issue. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, refinanced or further drawn-down prior to the completion of the Issue, we may utilise Net Proceeds of the Issue towards prepayment, repayment of such additional indebtedness availed by us.

3. General Corporate Purpose

Our management will have flexibility to deploy the balance Net Proceeds of the Issue towards general corporate purposes, to be deployed towards including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or repayment of liabilities (on demand) if any or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act and other applicable laws.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals i.e., FY 2026-27.

We further confirm that in terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the Issue.

ESTIMATED ISSUE RELATED EXPENSES

The details of the estimated issue related expenses are tabulated below:

Particulars	**Amount (₹ in Lakhs)**	**As a % of Estimates Issue Expenses**	**As a % of Issue Size**
Book Running Lead Manager fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling, commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review etc.)	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

The fund deployed out of internal accruals is ₹ **[●]** *Lakhs towards issue expenses vide certificate dated* **[●]** *having received from Statutory Auditor of our Company and the same will be recouped out of issue expenses.*

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

1) *SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.*

2) *Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*

3) *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*

4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

BRIDGE LOANS

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

APPRAISING ENTITY

The objects of the Issue for which the Net Proceeds will be utilized have not been appraised.

MONITORING OF UTILIZATION OF FUNDS

As this is a Fresh Issue for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

INTERIM USE OF FUNDS

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

VARIATION IN OBJECTS

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a 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 the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS

There is no proposal whereby any portion of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Companies, except in the ordinary course of business. Further, there are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Group Companies, and/or Key Managerial Personnel.

BASIS FOR ISSUE PRICE

The Price Band and Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

Bidders should read the following basis with the section titled "Risk Factors" and chapters titled "Restated Financial Statements", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Our Business" beginning on page 30,188 ,246,131 and respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the Issue price are:

- Multi-product capability
- Established infrastructure and integrated production with cost efficiencies
- Core Focus on consistent R&D, value engineering and to leverage complex chemistry and technology
- Focus on Quality, Environment, Health and Safety
- Experienced Promoters and management team
- Supply Chain Efficiency
- Long standing relationships with diversified customers across geographies

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled "Our Business" beginning on page 131 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented in this chapter is derived from Company's Restated Financial Statements as at and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, has been prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI as amended from time to time. For more details on financial information, investors please refer the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings / (Loss) Per Share ("EPS") as per AS 20

As per Restated Financial Statements - Post Bonus

Particulars	Basic & Diluted EPS (in ₹)	Weights
March 31, 2024	3.71	3
March 31, 2023	1.36	2
March 31, 2022	2.98	1
Weighted Average	**2.81**	

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
2. *Earnings per Equity Share = Profit for the year / Weighted average number of equity shares outstanding during the year.*
3. *Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.*

4. *The basic and diluted Earnings per Equity Share for the current year and previous year presented have been calculated/restated after considering the bonus issue subsequent to March 31, 2024.*

5. *The face value of each Equity Share is ₹10/-.*

2. *Price Earnings Ratio ("P/E") in relation to the Price Band of ₹ [●] to ₹ [●] per Equity share of ₹ 10/- each fully paid-up:*

Particulars	(P/E) Ratio at the Floor Price* (no. of times)	(P/E) Ratio at the Cap Price* (no. of times)
Based on Restated Financial Statements- Post Bonus		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]	[●]

** To be updated at the price band stage.*
Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

3. *Industry P/E Ratio*

Particulars	P/E Ratio
Highest	108.93
Lowest	35.95
Average	72.33

Notes:
(1) The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set provided later in this section.
(2) The industry P / E ratio mentioned above is for the financial year ended March 31, 2024.
(3) All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for Fiscal 2024, as available on the website of the Stock Exchanges at www.nseindia.com and www.bseindia.com .

4. *Return on Net worth (RoNW)*

As per Restated Financial Statements

Particulars	RONW (%)	Weights
March 31, 2024	24.09%	3
March 31, 2023	11.61%	2
March 31, 2022	25.98%	1
Weighted Average	**20.25%**	

Note: Return on Net Worth (%) = Profit for the year / Net Worth at the end of the year.

5. *Net Asset Value (NAV) of face value of ₹10/- each*

As per Restated Financial Statements – Post Bonus

Financial Year	NAV (₹)
March 31, 2024	15.41
March 31, 2023	11.70
March 31, 2022	11.46
Net Asset Value per Equity Share after the Issue at Floor price	[●]
Net Asset Value per Equity Share after the Issue at Cap price	[●]
Issue Price*	[●]

**To be included upon finalization of the Issue Price and will be updated at the Prospectus stage.*

Note:
(1) Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the year / Weighted number of equity shares outstanding at the end of the year.

(2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process

6. Comparison of Accounting Ratios with listed Industry Peer

Name of Company	CMP (₹)	Face Value (₹)	Basic EPS (₹)	PE Ratio (times)	RoNW (%)	NAV per Share (₹)
Technichem Organics Ltd	[●]	10	3.71	[●]	24.09%	15.41
Peer Group						
Ami Organics Limited	1,297.35	10	11.91	108.93	6.47%	183.05
Anupam Rasayan India Limited	781.75	10	10.84	72.12	4.29%	249.26
Chemcrux Enterprises Ltd	204.90	10	5.70	35.95	12.60%	48.79

Source: www.nseindia.com and www.bseindia.com

Notes:

(1) The figures for our company are based on Restated Financial Statements for the year ended March 31, 2024 after taking effect of the Bonus Shares.

(2) The figures for the Peer Group are based on the Standalone Financial Statements filed for the financial year ended March 31, 2024.

(3) P/E Ratio has been computed based on their respective closing market price on August 7, 2024 as divided by the Basic EPS as on March 31, 2024.

(4) CMP is the closing prices or the last traded price of respective scripts as August 7, 2024.

(5) The Price Band determined by our Company in consultation with the Book Running Lead Manager is justified by our Company in consultation with the Book Running Lead Manager on the basis of the above parameters.

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 30 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on 188 of this Draft Red Herring Prospectus.

7. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 08, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by M/s Mundra & Co., Chartered Accountants by their certificate dated August 08, 2024.

The KPIs of our Company have been disclosed in the chapters titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*" on pages 131 and 246 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 2 of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Issue as per the disclosure made in the chapter titled "*Objects of the Issue*", whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

a) Key Performance Indicators of our Company.

As per Restated Financial Statements

(₹ in Lakhs otherwise mentioned)

Key Financial Performance	For the Financial Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations [(1)]	4,639.11	5,035.79	6,702.06
EBITDA [(2)]	952.88	435.78	547.83

Key Financial Performance	For the Financial Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
EBITDA Margin (%)[3]	20.54%	8.65%	8.17%
PAT	472.68	172.93	342.06
PAT Margin (%)[4]	10.19%	3.43%	5.10%
Return on Equity (%)[5]	27.39%	12.33%	32.44%
Debt to Equity Ratio (*times*) [6]	0.90	1.05	0.77
Current Ratio (times) [7]	1.06	0.68	0.89

***Notes**: As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated August 08, 2024.*

Explanation of KPIs:

(1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.
(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
(4) PAT Margin is calculated as PAT for the year divided by revenue from operations.
(5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
(6) Debt to Equity ratio is calculated as Long-Term Debt + Short Term Debt divided by equity.
(7) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

b) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

Explanations for the certain financial data based on Restated Financial Statements

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on Equity	Return on equity provides how efficiently our Company generates profits from shareholders' funds
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year

c) Comparison with Listed Industry Peers

As on March 31, 2024:

(₹ in Lakhs otherwise mentioned)

Key Performance Indicators	Technichem Organics Limited	Ami Organics Limited	Anupam Rasayan India Limited	Chemcrux Enterprises Limited
Revenue from Operations[1]	4,639.11	68,758.29	112,870.00	7,846.53
EBITDA[2]	952.88	10,766.54	30,700.90	1,321.36

Key Performance Indicators	Technichem Organics Limited	Ami Organics Limited	Anupam Rasayan India Limited	Chemcrux Enterprises Limited
EBITDA Margin[3]	20.54%	15.66%	27.20%	16.84%
PAT	472.68	4,368.49	11,729.30	910.70
PAT Margin[4]	10.19%	6.35%	10.39%	11.61%
Return on Equity	27.39%	6.92%	4.60%	13.14%
Debt to Equity	0.90	0.30	0.37	0.35
Current Ratio	1.06	1.76	1.61	3.88

As on March 31, 2023:

(₹ in Lakhs otherwise mentioned)

Key Performance Indicators	Technichem Organics Limited	Ami Organics Limited	Anupam Rasayan India Limited	Chemcrux Enterprises Limited
Revenue from Operations[1]	5,035.79	61,673.40	128,412.30	9,515.24
EBITDA[2]	435.78	12,265.93	36,747.20	2,145.14
EBITDA Margin[3]	8.65%	19.89%	28.62%	22.54%
PAT	172.93	8,334.26	16,852.90	1,468.40
PAT Margin[4]	3.43%	13.51%	13.12%	15.43%
Return on Equity	12.33%	15.09%	8.25%	24.25%
Debt to Equity	1.05	0.01	0.33	0.20
Current Ratio	0.68	2.87	2.56	3.36

As on March 31, 2022:

(₹ in Lakhs otherwise mentioned)

Key Performance Indicators	Technichem Organics Limited	Ami Organics Limited	Anupam Rasayan India Limited	Chemcrux Enterprises Limited
Revenue from Operations[1]	6,702.06	52,013.50	107,376.60	9,527.06
EBITDA[2]	547.83	10,517.56	30,378.30	2,070.52
EBITDA Margin[3]	8.17%	20.22%	28.29%	21.73%
PAT	342.06	7,194.61	15,077.60	1,491.20
PAT Margin[4]	5.10%	13.83%	14.04%	15.65%
Return on Equity	32.44%	21.10%	9.15%	31.25%
Debt to Equity	0.77	-	0.46	0.14
Current Ratio	0.89	3.30	2.49	2.10

Explanation of KPIs:

(1) Revenue from operations means the revenue from operations as appearing in the restated financial information.

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.

(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.

(4) PAT Margin is calculated as PAT for the year divided by revenue from operations.

(5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.

(6) Debt to Equity ratio is calculated as Long term Debt + Short Term Debt divided by equity.

(7) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

8. Justification for Basis for Issue price

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

There has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such

transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group, selling shareholders or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue share capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) Since there is no such transaction to report to under (a) and (b), the following are the details of the last five primary and secondary transactions (secondary transactions where promoters, promoter group, selling shareholders or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions:

Primary Issuances:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration (₹)
December 06, 2021	18,18,750	10/-	10/-	Cash	Right Issue	1,81,87,500
April 18, 2024	1,01,85,000	10/-	Nil	Other than Cash	Bonus Issue	Nil
Total	1,20,03,750					1,81,87,500
Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share) *						**1.52/-**

*As certified by Statutory Auditors of our Company, by way of their certificate dated August 23, 2024.

Secondary Transactions:

Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of this Draft Red Herring Prospectus where the Promoters, Promoter Group or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction:

Date of Transaction	Name of Shareholder	Promoter/ Promoter Group/ Shareholder(s) having the right to nominate director(s) on our Board	Number of Equity Shares Acquired	Number of Equity Shares Sold	Acquired/ Transferred	Acquisition / Transfer Price (₹)	Total Consideration (₹ in Lakhs)
April 01, 2024	Mr. Bharat Jayantilal Pandya jointly with Ms. Alpa Bharat Pandya	Promoter	-	7,000	Gift to Ms. Vama Bharat Pandya	Nil	Nil
				7,000	Gift to Ms. Parita Bharat Pandya	Nil	Nil
April 01, 2024	Mr. Pandya Anilkumar Jayantilal jointly with	Promoter	-	13,650	Gift to Mr. Shail Anil Pandya	Nil	Nil

Date of Transaction	Name of Shareholder	Promoter/ Promoter Group/ Shareholder(s) having the right to nominate director(s) on our Board	Number of Equity Shares Acquired	Number of Equity Shares Sold	Acquired/ Transferred	Acquisition / Transfer Price (₹)	Total Consideration (₹ in Lakhs)
	Ms. Shailaja Anil Pandya						
August 22, 2024	Mr. Bharat Jayantilal Pandya	Promoter	-	1,29,000	Transfer to Ms. Poonam Gupta	58/-	74.82
August 22, 2024	Mr. Bharat Jayantilal Pandya	Promoter	-	21,000	Transfer to Ms. Jyothi Subramaniam	58/-	12.18
August 22, 2024	Mr. Pandya Anilkumar Jayantilal	Promoter	-	21,000	Transfer to Amit Burad	58/-	12.18
August 22, 2024	Mr. Pandya Anilkumar Jayantilal	Promoter	-	68,000	Transfer to Pushpa Bhati	58/-	39.44
August 22, 2024	Mr. Pandya Anilkumar Jayantilal	Promoter	-	21,000	Transfer to Aniruddh Janardhan Raman	58/-	12.18
August 22, 2024	Mr. Pandya Anilkumar Jayantilal	Promoter	-	40,000	Transfer to Tejas J. Shah	58/-	23.20
			Total	**3,27,650**			**174.00**

* As certified by Statutory Auditors of our Company, by way of their certificate dated August 23, 2024.

d) Weighted average cost of acquisition, Issue Price

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Price Band is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition of primary issuances	NA	NA	NA
Weighted average cost of acquisition for secondary transactions	NA	NA	NA
Weighted average cost of acquisition for past 5 primary issuances, as disclosed above	1.52	**[●]**	**[●]**
Weighted average cost of acquisition for past 5 secondary transactions, as disclosed above	53.11	**[●]**	**[●]**

**To be included upon finalization of the Price Band and will be updated at the Prospectus stage*.
 # As certified by Statutory Auditors of our Company, by way of their certificate dated August 08, 2024.

Explanation for Issue Price being [●] times of weighted average cost of acquisition of secondary sale price of Equity Shares (set out in 8(d) above) along with our Company's key performance indicators and financial ratios for the for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 and in view of the external factors which may have influenced the pricing of the issue, if any.

e) Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022.

[●]*

**To be included on finalization of Price Band.*

f) The Issue Price is [●] times of the face value of the equity shares

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ [●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "*Risk Factors*" beginning on page 30 of this *Draft Red Herring Prospectus* and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Technichem Organics Limited
5th Floor, Malak Complex, Behind Old Gujarat High Court
Navrangpura - 380009, Ahmedabad, Gujarat, India

Dear Sirs,

Subject - Statement of Tax Benefits ('The Statement') available to Technichem Organics Limited ("The Company") and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of Technichem Organics Limited, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the **"GST Act"**) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares (**"the Issue"**) by the Company.

We do not express any opinion or provide any assurance as to whether:
a) The Company or its shareholders will continue to obtain these benefits in future; or
b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

Under the Income Tax Act, 1961 ("the Act")

Special tax benefits available to the Company

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.

4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

   In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

   - ✓ Deduction under the provisions of Section 10AA.
   - ✓ Deduction under clause (iia) of sub- section (1) of Section 32 (additional depreciation).
   - ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
   - ✓ Deduction under section 35AD or Section 35CCC
   - ✓ Deduction under section 80G

   Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

   The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2019-20 and onwards.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For M/s. Mundra & Co.
Chartered Accountants
Firm Registration Number: 013023C

CA Nitin Khandelwal
Partner
Membership No: 414387
Place: Jaipur
Date: July 19, 2024
UDIN: 24414387BKERZZ8686

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL ECONOMIC OVERVIEW

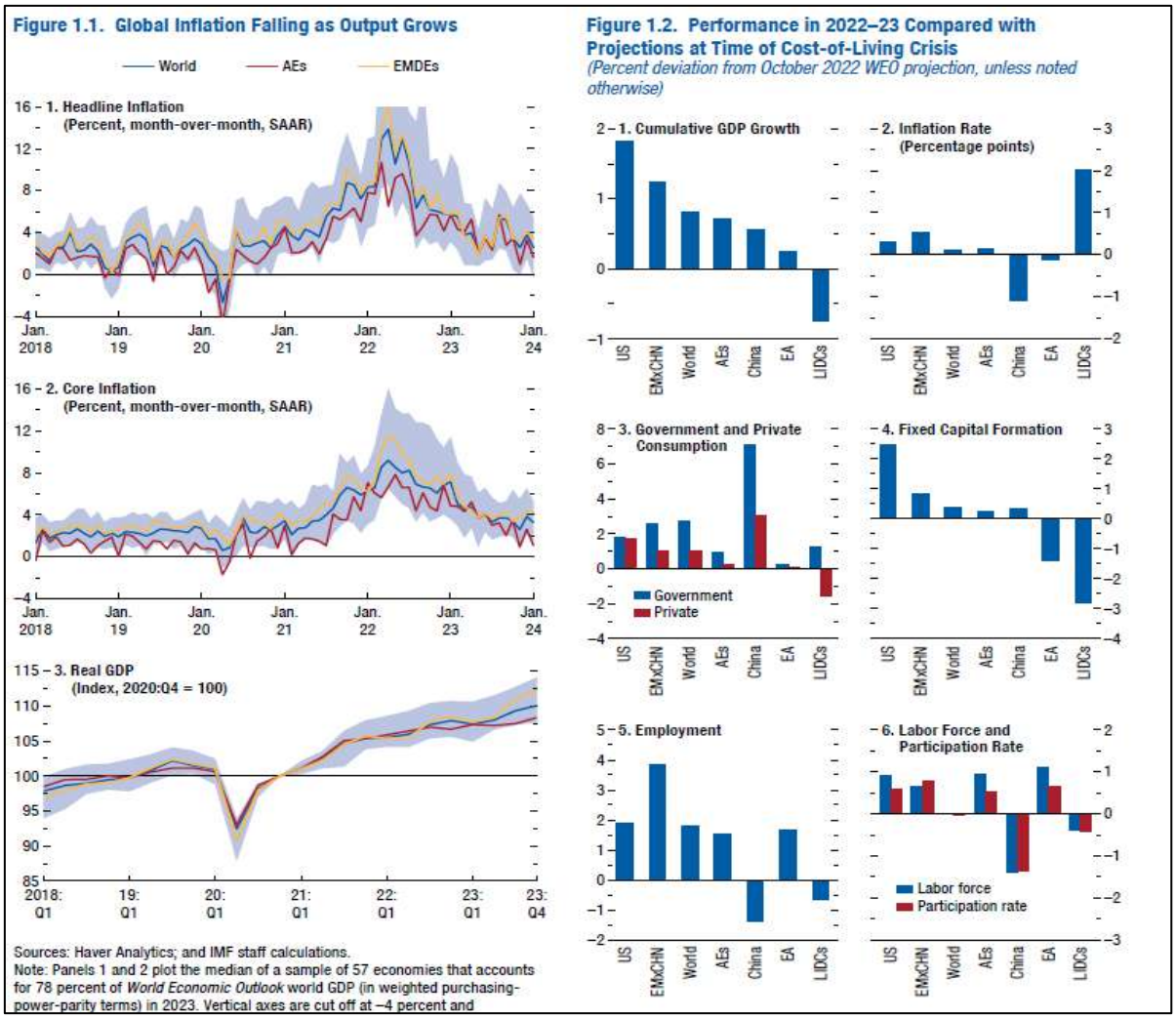
The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies, where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percent is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. The pace of convergence toward higher living standards for middle- and lower-income and causing target undershoots. At the same time, as central banks take a less restrictive stance, a renewed focus on implementing medium-term fiscal consolidation to rebuild room for budgetary maneuver and priority investments, and to ensure debt sustainability, is in order. Cross-country differences call for tailored policy responses. Intensifying supply-enhancing countries has slowed, implying a persistence in global economic disparities. Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labour markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress.

Global economy remains resilient despite uneven growth.

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing. Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access there will be less economic scarring from the pandemic—the projected drop in output relative to prepandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its prepandemic trend.

Resilient growth and faster disinflation point toward favorable supply developments, including the fading of earlier energy



price shocks, the striking rebound in labor supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. however, the transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.

Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high sometimes stubbornly so and could derail the disinflation path. Bringing inflation down to target remains the priority. Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs. Something will have to give in the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target. However, unlike in the United States, there is scant evidence of overheating and the European Central Bank will also need to carefully calibrate the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labor markets appear strong, that strength could prove illusory if European firms have been hoarding labor in anticipation of a pickup in activity that does not materialize.

Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomics fragmentation.

In late 2023, headline inflation neared its prepandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO) The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labor markets.

Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions. The overall budgetary stance measured by the structural fiscal balance was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China,1 the fiscal stance was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices.

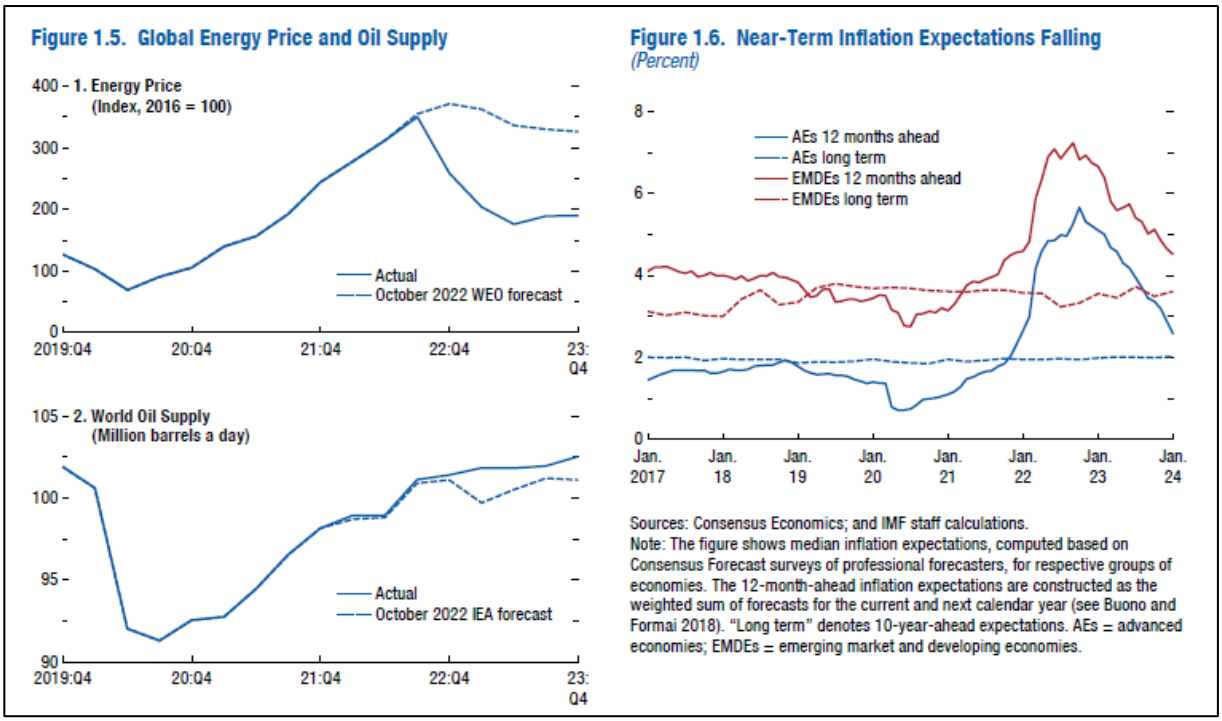
In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation. The resilience in global economic activity was compatible with falling inflation thanks to a post pandemic expansion on the supply side.

A greater-than-expected rise in the labor force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labor force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labor force since 2021 as well as higher labor force participation rates. Exceptions to this pattern include China, where labor market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back.

Inflation (and Expectations) in Decline

The fall in headline inflation since 2022 reflects the fading of relative price shocks—notably those to energy prices—as well as lower core inflation. The decline in energy prices reflects not only increased global energy supply, but also the effects of tight monetary policies. The monetary tightening by central banks in major advanced economies during 2022–23 may have contributed strongly to lowering energy prices owing to its high degree of synchronization and the associated effect on curbing world energy demand.

Core inflation has declined as a result of the fading of effects of pass-through from past shocks to headline inflation, as well as because labor market pressures have eased. Pass-through effects include the effects of past relative price shocks notably those to the price of energy and supply shifts in various industries on prices and costs in other industries through supply-chain inputs and wage demands. Near-term inflation expectations are an important pass-through channel because of their



implications for both wage and price setting and have declined toward target levels in both advanced economies and emerging market and developing economies, although measures of financial-market-based inflation expectations have recently shown signs of a pickup in the US. Longer-term inflation expectations have remained anchored, despite the string of large shocks since 2020 with decisive communication and action by central banks safeguarding the credibility of their inflation targets and contributed little to recent movements in core inflation.

Labor markets remain tight, especially in the United States, but the recent decline in the ratio of vacancies to the number of unemployed people amid a rise in unemployment rates suggests an easing across several economies. Nominal wage growth has generally remained contained in advanced economies since 2022, especially in the euro area, implying a moderation in real (inflation-adjusted) wages. Real wages are now close to or slightly below the level they were on before the pandemic in these economies. Wage-price spirals in which prices and wages accelerate together for a sustained period have generally not taken hold. Nevertheless, wages at the bottom of the wage distribution have risen faster than the average since the start of the pandemic, compressing the distribution. The roles of these factors in reducing core inflation have diverged across major economies. IMF staff analysis suggests that the rapid fading of pass-through from past relative price movements—in particular from energy price shocks—has played a larger role in the euro area and the United Kingdom than in the United States in reducing core inflation (the staff's methodology was the same as that used in Dao and others 2023). In the United States, labor market tightness and, more broadly, strong macroeconomic conditions, which partly reflect the effects of earlier fiscal stimulus as well as strong private consumption, are the main source of remaining upward pressure on underlying inflation. In the United Kingdom, labor market tightness predating the pandemic may partly explain why inflation has been higher than in the US or euro area following the onset of the pandemic. Accordingly, IMF staff estimates of the gap between actual and potential output levels in 2023 are positive for the United States, at 0.7 percent, and negative for the euro area and for the United Kingdom, at –0.3 percent.

The Outlook: Steady Growth and Disinflation

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries. The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies.

- Commodity price projections: As explained in the Commodity Special Feature in this chapter, prices by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected nonmember countries, including Russia) supply growth. Coal and natural gas pricesare expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of of fuel commodities are projected to fall in 2024 new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024. Compared with those in the January 2024 WEO Update, forecasts for food prices have been revised slightly downward, driven by expectations of abundant global supplies for wheat and maize.

- Monetary policy projections: With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024, the Federal Reserve's policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent. For Japan, policy rates are projected to rise gradually, reflecting growing confidence that inflation will sustainably converge to target over the medium term despite Japan's history of deflation.

(Source:*https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024*)

INDIAN ECONOMY OVERVIEW

Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

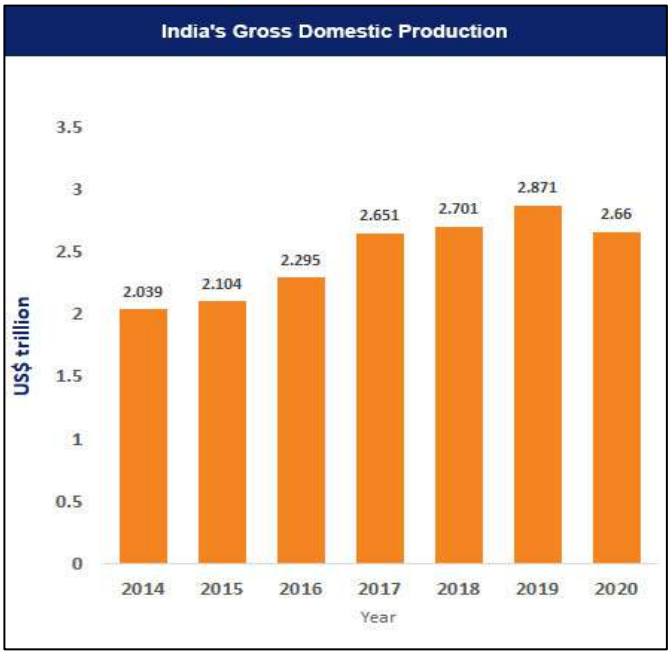
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US$ 350 billion. As many as 14 tech startups are expected to



list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US$ 10.5 billion for the third quarter of 2023-24 compared to US$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US$ 1 trillion by 2030.

Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US$ 643.162 billion.
- In 2023, India saw a total of US$ 49.8 billion in PE-VC investments.

- Merchandise exports in March 2024 stood at US$ 41.68 billion, with total merchandise exports of US$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US$ 21.35 billion), of which CGST is Rs. 34,532 crore (US$ 4.14 billion), SGST is Rs. 43,746 crore (US$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finax`nce Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US$ 182.35 million).

- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.

- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).

- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.

- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.

- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).

- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.

- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US$ 747.64 million).

- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.

- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.

- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.

- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.

- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever ‘AI in Defence’ (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.

- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.

- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.

- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).

- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.

- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.

- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.

- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.

- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US$ 401.49 billion) in the next five years.

- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US$ 3.21 billion).

- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US$ 334.60 million).

- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.

- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.

- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.

- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).

- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US$ 6.07 billion).

- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India’s financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US$ 110 billion by 2030.
- India is expected to attract investment of around US$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

Road Ahead

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US$ 120.12 billion) over Rs. 7.28 lakh crore (US$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(*Source: https://www.ibef.org/economy/indian-economy-overview*)

INDIAN MANUFACTURING INDUSTRY

Introduction

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.

India has the capacity to export goods worth US$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub. With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

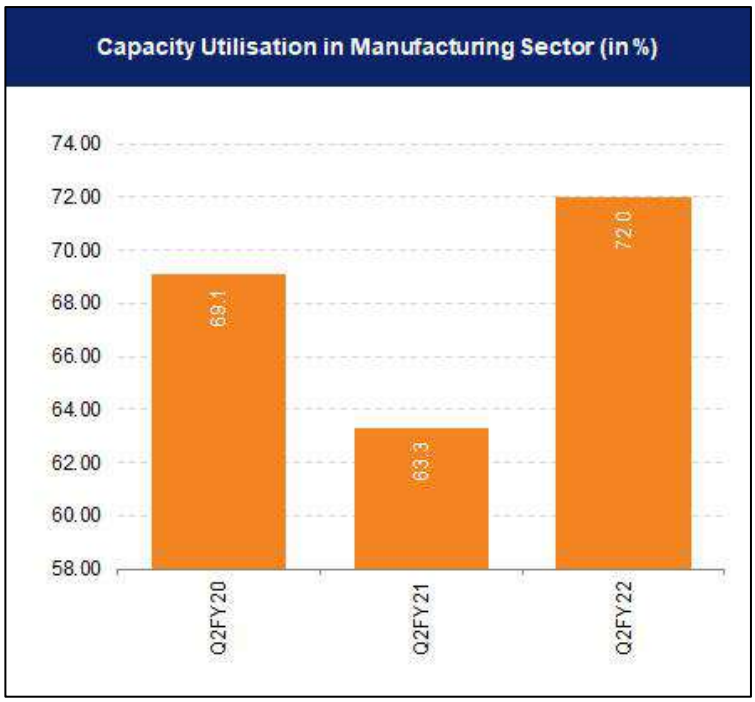
Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to Rs. 18,000 crore (US$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aimed to create 100 million new jobs in the sector by 2022.

Market Size



Manufacturing exports have registered highest ever annual exports of US$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US$ 626.5 billion as per the quarterly estimates of the first quarter of FY22.

India has potential to become a global manufacturing hub and by 2030, it can add more than US$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US$ 7 billion in 2021 to US$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilisation in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.

The manufacturing GVA at current prices was estimated at US$ 110.48 billion in the first quarter of FY24.

Investment

Some of the major investments and developments in this sector in the recent past are:

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US$ 48.03 billion in FY23.
- Between April 2000-September 2023:
- The automobile sector received FDI inflows of US$ 35.40 billion.
- The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US$ 21.71 billion.
- The drug and pharmaceutical manufacturing sector received FDI inflows worth US$ 21.58 billion.
- The Food Processing Industries received FDI inflows worth US$ 12.35 billion.

- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- The Index of Industrial Production (IIP) from April-October 2023 stood at 143.5.
- The combined index of eight core industries stood at 154.1 for April-September 2023 against 143.0 for April-September 2022.
- The cumulative index of eight core industries increased by 7.8% during April-September 2023-24 over the corresponding period of the previous year.
- In Q2 FY24, the survey, which covered 380 manufacturers that account for about Rs. 4.8 trillion (US$ 58 billion) in sales, showed a robust 74% capacity utilization and improved future investment outlook during Q2.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US$ 295.21 billion.
- The Employees' Provident Fund Organisation (EPFO) added 1,720,615 in September 2023.
- In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- In August 2021, Wistron Corp. collaborated with India's Optiemus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
- In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
- Samsung Display Noida, which has invested Rs. 4,825 crore (US$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
- In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Interim Union Budget 2024-2025:
- In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US$ 830 million) for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US$ 421 million) for the Automobile sector.
- In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement. Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the startup industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.
- In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US$ 71.41 billion).

- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.

In the Union Budget 2023-24:

- Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
- As per the Union Budget 2023 – 24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US$ 2,43,044) to Rs. 3 crore (US$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US$ 60,754) to Rs. 75 lakh (US$ 91,132).
- Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
- To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
- Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US$ 25 million in aerospace and defence Manufacturing by 2025, which includes US$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US$ 300 billion.
- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.

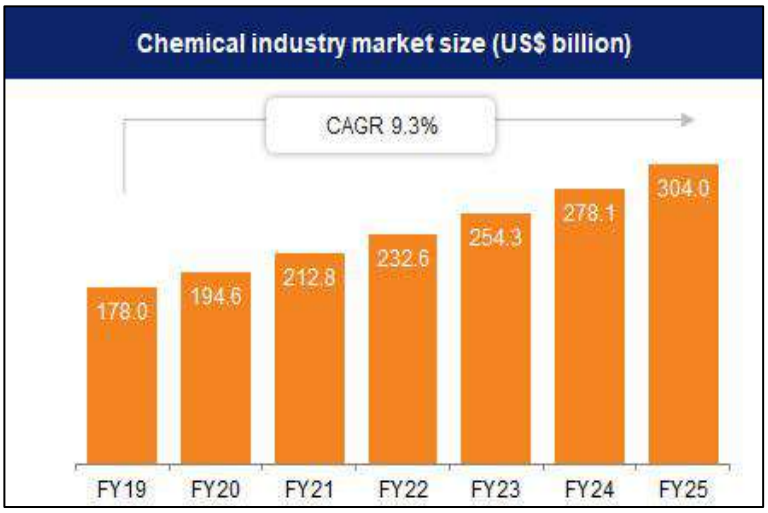
In the Union Budget 2022-23:

- Ministry of Defence was allocated Rs. 525,166 crore (US$ 67.66 billion)

- The government allocated Rs. 2,403 crore (US$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.
- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US$ 1.45 billion).
- India outlined a plan in August 2021 to reach its goal of US$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US$ 100 billion by 2025 through policy interventions.



One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.
(Source: https://www.ibef.org/industry/manufacturing-sector-india)

INDIAN CHEMICAL INDUSTRY

Introduction

Covering more than 80,000 commercial products, India’s chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India’s GDP. India's chemical sector, which was estimated to be worth US$ 220 billion in 2022, is anticipated to grow to US$ 300 billion by 2025 and US$ 1 trillion by 2040.

Globally, India is the fourth-largest producer of agrochemicals after the United States, Japan and China. India accounts for 16-18% of the world's production of dyestuffs and dye intermediates. India’s agrochemicals export was estimated to be at US$ 3.12 billion from April 2023 to December 2023. Indian colourants industry has emerged as a key player with a global market share of ~15%. The country’s chemicals industry is de-licensed, except for a few hazardous chemicals. India has traditionally been a world leader in generics and biosimilars and a major Indian vaccine manufacturer, contributing more than 50% of the global vaccine supply. India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at the global level (excluding pharmaceuticals).

From April 2023 to December 2023, India's dye exports (Dyes and Dye Intermediates) totalled US$ 1.69 billion. India’s proximity to the Middle East, the world’s source of petrochemicals feedstock, enables it to benefit on economies of scale.

Market Size

India's chemical sector, which was estimated to be worth US$ 220 billion in 2022, is anticipated to grow to US$ 300 billion by 2025 and US$ 1 trillion by 2040. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US$ 383 billion to India’s GDP by 2030.

India has traditionally been a world leader in generics and biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US$ 1 trillion by 2040.

An investment of Rs. 8 lakh crore (US$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. Specialty chemicals account for 20% of the global chemicals industry's US$ 4 trillion, with India's market expected to increase at a CAGR of 12% to US$ 64 billion by 2025.

This gain would be driven by a healthy demand growth (CAGR of 10-20%) in the export/end-user industries. The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.

The Indian chemical industry is expected to further grow with a CAGR of 11-12% by 2027, increasing India’s share in the global specialty chemicals market to 4% from 3%.

A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand was expected to fuel significant revenue growth of 18–20% in 2022 and 14–15% in 2023.

Investments And Recent Developments

A few recent developments/investments in the Indian chemical sector are as follows:

- From April 2023 to March 2024, exports of organic chemicals stood at US$ 7.54 billion & inorganic stood at US$ 2.02 billion.
- Imports of organic chemicals were US$ 14.80 billion and inorganic chemicals US$ 6.34 billion from April 2023 to March 2024.
- From April 2023 to March 2024, exports of castor oil, essential oil, and cosmetics and toiletries stood at US$ 4.3 billion.
- Major chemical production reached 931.2 million metric tonnes (MMT) in January 2024, while petrochemical production reached 1,863.57 MMT.In January 2024, production levels of various chemicals were as follows: Soda Ash: 255.21 MMT, Caustic Soda: 290.60 MMT, Liquid Chlorine: 205.05 MMT, Formaldehyde: 25.834 MMT, and Pesticides and Insecticides: 19.90 MMT.
- In August 2023, the Prime Minister announced a subsidy of Rs. 10 lakh crore (US$ 120.93 billion) for providing cheaper Urea to farmers.
- In July 2023, Global Chemicals and Petrochemicals Manufacturing Hubs in India (GCPMH 2023) was organized in Delhi, India.
- In June 2023, Himadri Speciality Chemical invested Rs. 58 crore (US$ 7.01 million) in Sicona Battery Technologies Pty Ltd, (Sydney) for a 12.79% stake.
- In June 2023, Mumbai-based UPL Ltd, will hive off its speciality chemicals business on a slump sale basis to a wholly-owned arm of UPL Speciality Chemicals Ltd for Rs. 3,572 crore (US$ 431.96 million).
- In June 2023, Reliance plans to invest Rs. 75,000 crore (US$ 9.06 billion) over 5 years to expand its oil to chemical business.
- Tata Chemicals intended to invest about Rs. 8,000 crore (US$ 967.45 million) over the next 2-3 years as capex on an expansion spree that includes scaling businesses sustainably.
- In May 2023, Reliance Industries plans to set up a 10 GW solar project in Andhra Pradesh.
- In March 2023, Chennai awaits more bio-CNG plants to enable a switch to clean energy.
- On February 15th, 2023, the Indian Speciality Chemical Manufacturer' Association (ISCMA) signed an MoU with USIIC to promote trade in speciality chemicals.
- In February 2023, the company is setting up a new formaldehyde plant with 300 TPD capacity at the existing manufacturing facility at GIDC, Ankleshwar in Gujarat.
- In January 2023, Tata Chemicals Europe signed a pact with Essar-backed Vertex for the sale of low-carbon hydrogen.
- In December 20222, GMM Pfaudler Ltd entered into an agreement on December 8, 2022, to acquire Mixel France SAS and its wholly owned subsidiary Mixel Agitator Co. Ltd. for US$ 7.63 million.
- In September 2022, the Royal Society of Chemistry (RSC) and CSIR work together to support chemistry in schools across India.
- In September 2022, Spanish perfume maker Puig acquired a controlling stake in Kama Ayurveda Pvt. owning 85% of the company.
- In May 2022, a global investment firm, PAG acquired Optimus Group along with consortium partners CX Partners and Samara Capital.

- In April 2022, Dorf Ketal, a manufacturer of research-based specialised chemicals acquired Khyati Chemicals for Rs. 300-400 crore (US$ 36.28 - 48.48 million).
- Advent International acquired a majority position in Avra Labs in January 2022, uniting it with two other businesses it had previously acquired, RA Chem Pharma and ZCL Chemicals.
- In July 2022, NTPC Renewable Energy Limited (NTPC REL) and Gujarat Alkalies and Chemicals Limited (GACL) signed an MoU to establish India's first commercial-scale Green Ammonia and Green Methanol plants.
- In November 2021, Indian Oil Corporation (IOCL) announced plans to invest Rs. 3,681 crore (US$ 495.22 million) to set up India's first mega-scale maleic anhydride unit for manufacturing high-value speciality chemicals at its Panipat Refinery in Haryana.
- In November 2021, Praj Industries Limited and Indian Oil Corporation inked a memorandum of understanding (MoU) to explore opportunities in the production of alcohol-to-jet (ATJ) fuels, 1G & 2G ethanol, compressed bio-gas (CBG) and related opportunities in the biofuels industry.
- In November 2021, Coromandel International announced plans to set up a 1,650-metric-tonnes-per-day sulphuric acid plant at its fertiliser complex in Visakhapatnam with an investment of Rs. 400 crore (US$ 53.69 million).
- On September 30, 2021, Prime Minister, Mr. Narendra Modi, inaugurated the CIPET: Institute of Petrochemicals Technology, Jaipur.
- In October 2021, Nayara Energy announced that it expects 15-20 new integrated petrochemical plants to become operational within the next decade in the country, to meet the rising demand for raw materials used in the plastics and clothing industries.
- In October 2021, Rosneft, Russia, launched a large-scale petrochemical production development programme in India with investments worth ~US$ 750 million at the current implemented stage.
- In September 2021, Bharat Petroleum Corporation (BPCL), announced plans to invest US$ 4.05 billion, to improve petrochemical capacity and refining efficiencies over the next five years.
- The government is planning to hold roadshows in eight overseas markets for the proposed investors' summit planned in January 2022, with a focus on the petrochemicals sector, and is eager to attract investors to its newly launched Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) near the upcoming crude oil refinery in Pachpadra village (in Barmer district, Rajasthan).

Government Initiatives

The government has started various initiatives such as mandating BIS-like certification for imported chemicals to prevent dumping of cheap and substandard chemicals into the country.

The Indian government recognises the chemical industry as a key growth element and is forecast to increase share of the chemical sector to ~25% of the GDP in the manufacturing sector by 2025.

- Under the Interim Budget 2024-25 the government allocated Rs. 192.21 crore (US$ 23.13 million) to the Department of Chemicals and Petrochemicals.
- Government to open 25,000 Jan Aushadhi Kendras to make medicines available at affordable prices.
- In April 2023, the Cabinet approved the National Medical Devices Policy, 2023.
- The Department of Chemicals & Petrochemicals intends to bring PLI in the chemical & petrochemical sector and will redraft the Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) guidelines.
- PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crore (US$ 213.81 million).
- The Government of India is considering launching a production-linked incentive (PLI) scheme in the chemical sector to boost domestic manufacturing and exports.
- A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to

implement a production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.

- In October 2020, the government urged players in the agrochemicals industry to come out with new molecules of global standards for the farmers' benefit, while CropLife India, the industry body, pitched for stable policies and regulatory regimes to boost growth in the sector.

- 100% FDI is allowed under the automatic route in the chemicals sector with few exceptions that include hazardous chemicals. FDI inflows in the chemicals sector (other thanfertilizers) reached US$ 22.146 billion between April 2000-March 2024.

- The government has proposed several incentives for setting up a sourcing or manufacturing platform within an Indian SEZ:

  - Effective April 1, 2020, 100% Income Tax exemption on export income for SEZ units for the first five years, 50% for the next five years thereafter and 50% of the ploughed back export profit for the next five years.
  - Single window clearance for central and state-level approvals.
  - Duty-free import/domestic procurement of goods for development, operation and maintenance of SEZ units.

- In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, a combined investment of Rs. 10 lakh crore (US$ 142 billion) is targeted by 2025, Rs. 15 lakh crore (US$ 213 billion) by 2030 and Rs. 20 lakh crore (US$ 284 billion) by 2035 in all PCPIRs across the country. The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons have been employed in direct and indirect activities related to PCPIRs by the end of 2020. The Gujarat Infrastructure Development Corporation (GIDC) has made an investment of around Rs. 17,317 crore (US$ 2.09 billion) for infrastructure development in the PCPIR.

Road Ahead

Despite the pandemic situation, the Indian chemical industry has numerous opportunities considering the supply chain disruption in China and the trade conflict between the US, Europe and China. Anti-pollution measures in China will also create opportunities for the Indian chemical industry in specific segments.

Additional support, in terms of fiscal incentives, such as tax breaks and special incentives through PCPIRs or SEZs to encourage downstream units will enhance production and development of the industry. The dedicated integrated manufacturing hubs under the Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) policy to attract an investment of Rs. 20 lakh crore (US$ 276.46 billion) by 2035.

To bring about structural changes in the working of the domestic chemical industry, future investments should not only focus on the transportation of fuels such as petrol and diesel but also on crude-to-chemicals complexes or refineries set up to cater to the production of chemicals.

(Source: https://www.ibef.org/industry/chemical-industry-india)

OUR BUSINESS

This chapter 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 chapters titled "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 30, 188 and 243 respectively, of this Draft Red Herring Prospectus.

Unless otherwise indicated, the Restated Financial Statements included herein is based on our Restated Financial Statements for the Financial Years ended on March 31, 2024, 2023 and 2022 included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

OVERVIEW

Our Company is mainly engaged in the business of manufacturing of a wide range of chemicals, Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry that serves multiple industries, including pharmaceuticals, agriculture, coatings, pigments, dyes and others. This wide array of end uses highlights the extensive and versatile nature of our product offerings. Our extensive and varied portfolio ensures that we are not confined to one sector. This strategic diversification safeguards us from potential downturns in any single market, providing stability and resilience.

Our Company boasts a global presence, operating in around 11 countries. This extensive international footprint provides us with a broad perspective on market dynamics, enabling us to make informed decisions and better judge market trends. A significant portion of our exports is directed to China, highlighting the exceptional capabilities of our R&D team in synthesizing molecules cost-effectively. This not only underscores our price competitiveness in the global market but also demonstrates our ability to deliver high-quality products at competitive prices. Moreover, our ability to navigate across different chemical processes and applications allows us to meet a wide array of customer needs. This versatility broadens our market presence and enhances our adaptability to changing market conditions and emerging trends.

Our Company is customer centric, values based, R&D driven chemical manufacturer. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification in Quality Management System and ISO 14001:2015 in Environmental Management System. As an ISO certified company, we prioritize quality and precision in crafting chemical compounds and raw materials tailored for agrochemical, coating, pharma, dyes, pigments and specialty chemicals industries. With manufacturing under one roof, our company maintains stringent quality control standards throughout the entire manufacturing process. By doing so, we ensure that our products meet the relevant quality standards before they reach the market.

Furthermore, our staff ensures the reliability and credibility of our laboratory results and services. With their expertise, we maintain precision, adhere to protocols, and deliver results in a timely manner, all of which are paramount in our industries. Having these resources and capabilities in-house allows our Company to support various aspects of product development, quality control, and regulatory compliance.

Technichem always emphasis on importance to environment friendly atmosphere and leading to green technology. To maintain the same, we have primary and secondary treatment facilities backed by multiple effect evaporator for environment management system. As per the need of an hour, improvement is endless process and accepting the same, we have research and development center where we keep on developing the products and improving the process and yield of existing products.

Our approach is supported by a strong commitment to research and development. By continuously investing in the improvement of our products and optimizing the synthesis routes for existing ones, we maintain our competitive edge and expand our market reach. This dedication to R&D helps minimize our exposure to fluctuations in any particular industry.

Since 1996, we have started our journey with the production of pyrazolones & pyrazoles and as & when times goes by, we have developed & commercialize intermediates for multiple applications. We are having manufacturing capacity of 9,50,000 kg per annum as on the date of this Draft Red Herring Prospectus, we have three plants at our factory and our factory area is spreaded in 26,079 squares meters. We are well-equipped to meet the growing demands of our customers and deliver products in a timely manner. Our manufacturing facilities adhere to rigorous quality control measures and industry best practices.

We currently have our manufacturing facility located at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India. The total area of the facility is approximately 26,079 square meters. Our manufacturing facilities are well equipped with the required facilities including machinery, other handling equipment's to facilitate smooth manufacturing process. We endeavour to maintain safety in our premises by adhering to

key safety norms, established through our regular health check-ups and safety manual, accompanied by regular safety meetings.

Our company is promoted by Mr. Bharat Jayantilal Pandya and Mr. Anil Jayantilal Pandya. Our promoters have played pivotal roles in guiding, developing, growing, managing, and controlling the major aspects of our business operations, drawing upon their considerable expertise in our sector. For more details, please see the chapter titled, *"Our Management"* and *"Our Promoter and Promoter Group"* on page 167 and 182 of this Draft Red Herring Prospectus. Our core strength is our team, 'Our people' who has helped company to become multi-speciality product catering to various industries.

Our product mix has evolved over the past several years and we entered different product categories. We are consistently expanding our product portfolio through research and development of Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry. We have a well-equipped R & D facility capable of carrying out most of the "Unit Processes" such as Sulfonation, Nitration, Halogenations, Esterification, Friedle-Craft reactions, Grignard reactions, Suzuki-coupling, Amination, Condensations hydrogenation etc.

Our expertise in handling chemicals makes us most favored company by many indigenous and multinational manufactures. We have a successful track record in developing and scaling up processes from bench level to commercialization. Almost all the products being manufactured are developed in-house and number of products are developed and ready for plant level scale up in near future.

At *Technichem Organics Limited*, our vision is to be a global leader in the specialty chemical manufacturing industry, recognized for our innovative solutions, cutting-edge research, and unwavering commitment to sustainability and ethical business practices. We aspire to drive positive change by leveraging advanced technologies and scientific expertise to develop eco-friendly, high-performance products. Our goal is to set new industry standards through continuous improvement and technical excellence.

Our mission at *Technichem Organics Limited* is to deliver high-quality, specialty chemicals that meet the diverse needs of our customers through continuous innovation, rigorous safety standards, and ethical operations. We are dedicated to fostering a culture of integrity, environmental stewardship, and social responsibility. By prioritizing sustainable practices and ethical values, we aim to create lasting value for our stakeholders and contribute to a healthier, more sustainable world.

Key Performance Indicators of our Company.

As per Restated Financial Statements

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	**For the Financial Year ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Revenue from Operations [(1)]	4,639.11	5,035.79	6,702.06
EBITDA [(2)]	952.88	435.78	547.83
EBITDA Margin (*%*)[(3)]	20.54%	8.65%	8.17%
PAT	472.68	172.93	342.06
PAT Margin (*%*)[(4)]	10.19%	3.43%	5.10%
Return on Equity (*%*)[(5)]	27.39%	12.33%	32.44%
Debt to Equity Ratio (*times*) [(6)]	0.90	1.05	0.77
Current Ratio (times) [(7)]	1.06	0.68	0.89

As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated August 08, 2024.

Explanation of KPIs:

1) *Revenue from operation means revenue from sale of our products*
2) *EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income*
3) *EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*
4) *PAT Margin is calculated as PAT for the year divided by revenue from operations*
5) *Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity*
6) *Debt to Equity ratio is calculated as Total Debt divided by equity*
7) *Current Ratio is calculated by dividing Current Assets to Current Liabilities*

OUR STRENGTHS

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success:

1. *Multi-product capability*

We are focused on manufacturing chemical intermediates involving complex and differentiated chemistry and technology. Our products have applications across a wide spectrum of industry including agrochemical, coating, pharma, dyes, pigments. However, we have versatile manufacturing facility by which we can produce multiple products using a combination of processes. The flexible manufacturing infrastructure helps us change our product mix in response to changes in market demand. We have complete infrastructure of formulation development, pilot plant and validation studies and are able to develop efficient and cost-effective specialized processes at short notice. Our diversification of revenue across multiple industries allows us to prevent any possible customer concentration in any of our product categories. With our track record and wide product portfolio, we have been able to retain our existing customers and have also been able to attract new customers. A diverse and well-balanced product portfolio is another key competitive advantage for our Company. Our Company offers a comprehensive range of products, including Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment Intermediates, Air Oxidation Chemistry, Ether etc. This diverse portfolio allows our company to cater to various market segments and respond effectively to changing market demands.

2. Established infrastructure and integrated production with cost efficiencies

Our manufacturing infrastructure is equipped with technology and systems that are key drivers for our products. We have an integrated production facility, located at Khambhat, Gujarat, which is located in the district of Anand is spread across approximately 26,079 square meters. Our facility is equipped to function independently, with its own research & Development laboratory, pilot plant, quality department etc. Moreover, we source majority of our raw material locally with minimum dependency on imports. Our manufacturing facilities employ technologies and systems such as High Temperature Reaction up to 220^0C; Low Temperature reaction up to -10^0C, Solid Phase Back Reaction etc. As on the date of this Draft Red Herring Prospectus, we have three plants at our factory and our total annual installed capacity is 9,50,000 kg per annum. Our facility is equipped with its own quality department, effluent treatment plant, sewage treatment plant and stockyard. Our operations have an ISO 9001:2015 certification. We have made significant investments in capital expenditures for the improvement and maintenance of our facility, including investments in plant and machinery and investments in laboratory equipment. We also intend to make further investment in our manufacturing facilities by deploying some portion of net proceeds of the Issue for improvising bottom line of our Company, for further details see "*Objects of the Issue*" on page 89 of this Draft Red Herring Prospectus.

3. Core Focus on consistent R&D, value engineering and to leverage complex chemistry and technology

Our Company is a technology-driven organization supported by extensive R&D department, coupled with well-equipped laboratories and the technical officials in the industry. Emphasis is placed on upgrading process technology, reducing costs, conducting pilot plant research, improving quality, optimizing resource utilization, and developing new products.

We utilize analytical techniques to assess market trends, competitor products, and customer feedback to identify areas for product improvement. This R&D initiative is essential for us to maintain our competitive edge in the market, drive product improvement, and meet the evolving needs of customers. By investing in research and development, we aim to solidify our position as a trusted provider of specialty chemicals while fostering long-term growth and sustainability. Our focus on product and process improvement through continuous R&D has been instrumental in the growth of our business and improved our ability to customize products for our customers as well as reduced our cost of goods while maintaining our margins. Our R&D is focused on enabling us to perform multi-step synthesis as well as developing in-house processes and identifying complex chemistries. These capabilities ensure comprehensive evaluation and validation of products and processes, enabling us to maintain high standards of quality and improvement within its industry. Our R&D laboratory is fitted with equipment like HPLC, Gas Chromatography, Karl Fischer, LOD, Autoclave, Pilot plant capabilities etc.

4. Focus on Quality, Environment, Health and Safety

Our business is focused on emphasizing on quality, environment, health and safety. We believe that maintaining a high standard of quality for our products is critical to our continued growth. Across our manufacturing facilities, we have put in place quality systems that cover all areas of our business processes from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Our laboratory is equipped with technology and staffed by technically qualified experts who can handle timely quality checks. This comprehensive testing process assures that all products manufactured by our Company meets relevant quality standards and adhere to regulatory requirements. Our Company focuses on evaluating the quality of its systems and processes. This holistic approach ensures that every aspect of the manufacturing and quality control processes is assessed and optimized to deliver consistent and reliable results. Our company's commitment to quality is further reinforced by its certifications, including Environmental Clearance from The

Ministry of Environment, Forest and Climate change, Government of India for 600 TPM of Dye Intermediates along with Dyes and Pigments manufacturing, Certificate of One Star Export House up by Ministry of Commerce & Industry, Government of India, ISO 9001:2015 Certification in Quality Management System, ISO 14001:2015 in Environmental Management System. Our products go through various quality checks at various stages including random sampling check and quality check internally. We adhere to quality standards as prescribed by our customers to meet the desired requirement; hence we get repetitive orders from our customers. We work to ensure a safe and healthy workplace. In addition, we have installed comprehensive safety equipment including integrated fire hydrant system across the plant, Fire Extinguisher provided, Helmet, First Aid Box, etc. Our installed equipment and systems allow us to control our safety systems and processes.

5. Experienced Promoters and management team

We are led by qualified and experienced management team, who we believe have knowledge and understanding of the chemical industry and have the expertise and vision to scale up our business. Thus, we are well placed to capitalize the knowledge and experience of our management team which has been instrumental in growth of our Company. Our promoters have substantial experience in the sectors in which we serve, which enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively respond to changes in the market conditions.

Our Promoters and Management have played a key role in guiding, developing, and growing our business, for details, relating to the experience of our management and promoters, please see the chapters titled, *"Our Management"* and *"Our Promoter and Promoter Group"* on page 167 and 182 of this Draft Red Herring Prospectus. The team comprises of personnel having technical, operational, and business development experience in chemical industries. We believe that our management team's experience and their understanding of the industry, regulatory affairs, manufacturing, quality control, sales, marketing, and finance will enable us to continue to take advantage of both current and future market opportunities within India and Abroad.

Moreover, the advisory services of our Independent Directors and their inputs are a value addition to our performance, compliance and overall operations.

We believe our Promoters and Senior Management overall experience and vision will enable us to manage and grow our business in the existing markets and to enter new geographies with our competitive advantage. Our management is supported by our trained personnel and skilled workers who benefit from our regular in-house training initiatives. We therefore believe that our qualified management and employee base have enabled us to extend our operating capabilities, improved the quality of our products and facilitated our growth in the industry.

6. Supply Chain Efficiency

Our company maintains an efficient and well-managed supply chain. This efficiency results in reduced lead times, minimized inventory costs, and improved overall responsiveness to market changes. Such streamlined supply chain operations provide a significant competitive advantage in the chemical industry, where timeliness and efficiency are crucial factors. By leveraging these competitive advantages, our Company continues to thrive in competitive chemical market, delivering high-quality products, satisfying customer needs, and driving its long-term success. In the chemical industry, where precision, timeliness, and compliance are critical, an optimized supply chain can indeed provide a substantial competitive advantage. Furthermore, the ability to adapt to market changes swiftly is crucial in an industry where regulations and consumer preferences can significantly impact demand and production. A streamlined supply chain enables the company to adjust its operations promptly, ensuring it meets evolving customer needs. By consistently delivering high-quality products and maintaining customer satisfaction, our Company fosters long-term success in a challenging and dynamic industry landscape. As speciality chemicals market continues to evolve, leveraging these competitive advantages will be key to sustaining growth and staying ahead of competitors.

7. Long standing relationships with diversified customers across geographies

We have developed long-term relationships with various manufacturers that has helped us expand our product offerings, processes and geographic reach. Our customers are typically engaged in various industries and are spread across various geographies, which helps us mitigate risks resulting from customer, industry and geographic concentration. As of March 31, 2024, our product portfolio was sold to global customers spread in 11 countries and to domestic customers spread in 9 states. For the Fiscal 2024, 2023 and 2022, our top 10 customers contributed approximately 56.25 %, 62.83 % and 55.02 % of our revenue from operations respectively. Our long-term relationships and ongoing active engagements with customers also allow us to plan our capital expenditure, enhance our ability to benefit from increasing economies of scale with stronger purchasing power for raw materials and a lower cost base. These enduring customer relationships also have helped us expand our product offerings and geographic reach. In Fiscal 2024, 2023 and 2022, we derived 61.86 %, 60.22

% and 56.55 % of our revenue from operations in India and 38.14 %, 39.78 % and 43.45 % of our revenue from operations from foreign countries. For details, relating to Our Geographical sales in Indian and in various continents, please see the chapters titled, *"Our Business"* - "*Revenue Break-Up*" on page 131 of this Draft Red Herring Prospectus.

Our customer engagements are dependent on us delivering quality products consistently. Our potential customers may require considerable amounts of time to approve us as suppliers to ensure that all their quality controls are met and that we meet all their requirements across a variety of jurisdictions and multiple regulators. Due to the resources involved in engaging with new suppliers, customers are less inclined to pursue alternate supply sources. We also undertake modifications to our products for certain customers. Further, we believe that our ability to adapt our product offerings to match the needs of our consumers across a wide range of industries gives us a competitive advantage in the market.

OUR STRATEGIES

The following are the key strategies of our Company for our business:

1. Expansion and upgradation of our manufacturing facility

To meet the escalating demand in the speciality chemical industry, we intend to expand and upgrade our manufacturing capacities for existing products and new products that are currently in development and commercialization stages. We firmly believe that our investment in these plants and machinery will augment our current installed capacity, thereby enabling us to address the demand in the Speciality Chemicals and Pigment & Dye Intermediates. In our Ongoing project, we are dedicated to scaling up production from pilot to plant level.

We intend to explore opportunities to expand our operations by developing new products within our existing lines of business. Our plan involves increasing production capacity by installing new plant and machineries at our existing manufacturing facility, consequently we intend to fund capital expenditure towards construction and purchase of plant and machineries for expansion and upgradation at the existing manufacturing facility from net proceeds of the issue. For details, also see *"Objects of the Issue"* on page 89 this Draft Red Herring Prospectus. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers.

2. Expand our Geographical Presence

We intend to focus on diversifying our customer base across both domestic and global markets. Our broad strategic initiatives for international markets include offering a wide product portfolio with a well-established pipeline to support growth in our existing markets, developing a comprehensive market penetration strategy, implementing territory-specific marketing, and establishing our presence in developed markets.

Technichem Organics boasts a global presence, operating in around 11 countries. This extensive international footprint provides us with a broad perspective on market dynamics, enabling us to make informed decisions and better judge market trends. As a business strategy, we intend to widen our reach by increasing our domestic presence and the international market, to meet the escalating demand in pharmaceuticals and agrochemicals to coatings, pigments, and dyes industries. This versatility broadens our market presence and enhances our adaptability to changing market conditions and emerging trends.

3. Shifting from "High Volume – Low Value" to "Low Volume and High Value

In the past years, we implemented strategic initiatives that include product line optimization, backward integration and focus on increased efficiency/yield to optimize our product offerings and improve operational efficiency, setting the stage for sustainable long-term growth. Initially, we were focused on high-volume, low-value products, but then we began to shift our focus. The capital expenditure incurred reflects this change in focus from low-value chemistry to high-value chemistry. To turn this strategic vision into reality, we started working on this project in 2020, and the expansion process was completed in 2023, and was reflected in our financial of Fiscal 2024. From Fiscal 2021 to 2023, we have invested in aggregate of Rs. 2,285.12 lakhs (as per our audited financial statement) in capital expenditure. We have introduced a new line of chemistry called air oxidation chemistry, focusing specifically on the production of speciality benzoic acids. This shift is significant because these products offer substantially higher profit margins compared to our previous products. By transitioning to this higher-margin product range, we have seen a notable increase in our overall profitability. The air oxidation process not only enhances the value of our chemical offerings but also positions us more competitively in the market, aligning with our strategy to focus on more lucrative product lines.

Further, we also started phasing out High Volume—Low Value products, like 2 Amino Di Methyl Terephthalate "ADMT") has traditionally been a high-volume, low-margin product. In Fiscal 2022, reliance on ADMT was significant, we

strategically reduced our reliance on ADMT. As we phased out ADMT, we introduced new higher-value products to sustain our turnover and enhance profitability:

(₹ in lakhs)

Particulars	Fiscal 2020*	Fiscal 2021*	Fiscal 2022*	Fiscal 2023*	Fiscal 2024*
Revenue From Operation (A)	3782.90	4739.52	6702.06	5035.79	4639.11
PAT (B)	135.93	165.40	374.97	177.69	438.20
PAT Margin (B/A)	3.59%	3.49%	5.59%	3.53%	9.45%

*Audited financial statement

Although these new products do not yet contribute substantially to volume, their higher value justifies the apparent dip in turnover while increasing profitability. This strategic shift to high-value products has enabled us to improve our profitability despite a reduction in overall sales volume. We continue to remain focused on high value products, towards the same major portion from the net proceeds of the Issue will be deployed towards this, for further details, see *"Objects of the Issue"* on page 89 this Draft Red Herring Prospectus.

4. Continue to focus on operational efficiencies and improving productivity

We intend to focus on keeping our operating costs low, which we believe is critical for remaining profitable. We intend to continue enhancing our operational efficiencies, to increase economies of scale, better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position. We would focus on improving capacity utilization at our production facilities, through increase in our overall production volumes. We will continue to seek to manage our supply chain costs through optimal inventory levels, economic orders and other measures. Economies of scale will also enable us to continuously improve our operational efficiencies. We intend to continue further integration of our manufacturing facilities and carry out most of the processes in-house to maximize our efficiencies. We believe our focus on developing cost-reduction strategies and implementing more sustainable methods in our operations will enable us to reduce our costs. We believe that our investments in strengthening our team and upgrading our systems and processes will enable us to achieve our growth objectives while improving our profitability and attain operational efficiencies.

5. Strengthen relationships with our existing customers and expand customer base

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. Our dedicated and focused approach and timely delivery of products have helped us to build strong relationships over a number of years. We are participating consistently in trade exhibitions to generate leads and acquire new customers.

OUR PRODUCTS

We develop and manufacture chemicals in India and market our products in India and internationally. We organize our business based on three business models: (i) manufacturing of our own speciality chemicals and intermediates, (ii) Custom manufacturing and (iii) contract manufacturing/exclusive manufacturing.

(i) Manufacturing of our own speciality chemicals and intermediates

We have experience in speciality chemicals and intermediates products based on an intricate marriage of complex chemistry and technology core competencies. Our Company manufactures specialty chemicals, which are primarily chemical components that find use in agrochemical, coating, pharma, dyes, pigments and have, over the years, expanded our commercialised product portfolio. Our products are sold to various domestic and multinational customers for diverse end-user segments. As at March 31, 2024, we had a range of different products sold under the '*technichem*' brand. We manufacture and sell a wide range of chemicals. Our current downstream products include Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment Intermediates and Air Oxidation Chemistry. Details of the major products of our company are tabulated below:

Pyrazoles

Chemical Name	CAS No.
5-Amino-3-Methyl-1-Phenylpyrazole	1131-18-6
1-(3 Sulfophenyl)-3-Methly-5 Amino Pyrazole	23646-86-8
3,5 Dimethly Pyrazole	67-51-6
1- Phenyl-3 Methyl-5 Imino Pyrazole	6401-97-4
1-3 Sulfophenyl-3 Methyl-5 Imino Pyrazole	68083-38-5
1-4 Sulfophenyl-3 Methyl-5 Amino Pyrazole	69075-48-5
1-(2-Chloro 5-Sulfo Phenyl)-3 Methyl-5 Amino Pyrazole	68227-68-9

Pyrazolones

Chemical Name	CAS No.
1-(4-Nitrophenyl)-3 Methly-5 Pyrazolone	6402-09-01
1-(3-Chloro Phenyl)-3-Methly-5-Pyrazolone	90-31-3
1-(2,5 Dichloro-4 Sulphonyl-3Methyl-5-Pyrazolone	84-57-1
1-(2,5 Dichloro)-Phenyl-3 Methyl-5-Pyrazolone	13102-34-6
1-(4- Sulphophenyl)-3-Methyl-5-Pyrazolone	89-36-1
1-(3-Sulphamido Phenyl)-3-Methyl-5-Pyrazolone	89-29-2
1-(2-Chloro Phenyl)-3 Methyl-5-Pyrazolone	14580-22-4
3-Methyl-5 Pyrazolone	108-26-9
V.S Pyrazolone	21951-34-8

Speciality Chemicals

Chemical Name	CAS No.
N-Cynoethly-N-Phenethly Aniline (RM for Disperse Violet 48)	17601-74-0
3 Amino 5 Methyl Pyrazole (KSM for Anagliptin)	31230-17-8

Pigment Intermediates

Chemical Name	CAS No.
2 Amino Di Methyl Terephthalate	5372-81-6
Para Amino Benzamide / DB-70	2835-68-9
2 Nitro Dimethyl Terephthalate	5292-45-5
5-Amino-6 Methylbenzimidazolone	67014-36-2
Azo Barbituric Acid	27157-54-6
3,4-Dichloroaniline-6 Sulfonic Acid	6331-96-0
3 Nitro 4 Methyl Benzoic Acid	96-98-0
3 Nitro 4 Methyl Benzamide	19013-11-7
3 Amino 4 Methyl Benzamide / DB-60	19406-86-1
3 Nitro 4 Chloro Benzamide	16588-06-0
3 Amino 4 Chloro Benzamide	19694-10-1
3 Nitro 4 Chloro Benzoic Acid	96-99-1

Air Oxidation Chemistry

Chemical Name	CAS No.
Para Nitro Benzamide	619-80-7
Para Chloro Benzoic Acid	74-11-3
Para Nitro Benzoic Acid	62-23-7
Meta Nitro Benzoic Acid	121-92-6
Ortho Nitro Benzoic Acid	552-16-9
Meta Chloro Benzoic Acid	535-80-8
2,3 Di Chloro Benzoic Acid	50-45-3
2,4 Di Chloro Benzoic Acid	50-84-0

(ii) Custom manufacturing:

Our Company also has the capacity to manufacture intermediates and other speciality chemicals on a make to order basis. Our R&D team works closely with customers or prospective customers and provide improved and cost-efficient solutions tailored to meet specific customer requirements.

(iii) contract manufacturing/exclusive manufacturing:

In addition to the above-mentioned products, we also cater to the products as per customer requirements & also under confidentiality agreements. We have chemical composition developed under NDA Agreement with one of our customers and details of the same cannot be disclosed.

Following is our business - model wise revenue break up for the FY ending March 31, 2024, 2023 and 2022:

(₹ in lakhs)

Name of the Business Model	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Manufacturing of our own speciality chemicals and intermediates	4,240.20	91.40%	4,798.41	95.29%	6490.70	96.84%
Custom manufacturing	135.24	2.92%	237.38	4.71%	212.06	3.16%
contract manufacturing/exclusive manufacturing	263.67	5.68%	Nil	Nil	Nil	Nil
Total	**4639.11**	**100%**	**5035.79**	**100%**	**6702.06**	**100%**

REVENUE BREAK-UP

a) Following is our products-wise revenue break up for the FY ending March 31, 2024, 2023 and 2022:

(₹ in lakhs)

Name of the Products	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Pharma	1384.12	29.84%	1220.41	24.23%	1380.61	20.60%
High Performance Pigment and Speciality Dyes	1108.77	23.90%	1555.67	30.89%	2798.29	41.75%
Specialty Chemicals	1427.20	30.76%	1553.24	30.84%	1950.47	29.10%
Coating Applications	538.25	11.60%	515.37	10.23%	361.68	5.40%
Other Chemicals and Intermediates	180.76	3.90%	191.11	3.80%	211.01	3.15%
Total	**4639.11**	**100%**	**5035.79**	**100%**	**6702.06**	**100%**

b) Following is our countries and states-wise revenue break up for the FY ending March 31, 2024, 2023 and 2022:

(₹ in lakhs)

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Domestic (India)						
Delhi	0.11	0.00%	0.11	0.00%	0.18	0.00%
Gujarat	1,636.50	57.03%	2,080.04	68.60%	2,894.22	76.36%
Haryana	316.80	11.04%	129.00	4.25%	65.60	1.73%
Maharashtra	752.18	26.21%	638.26	21.05%	639.73	16.88%
Telangana	161.11	5.61%	182.81	6.03%	190.27	5.02%
Rajasthan	2.93	0.10%	1.95	0.06%	0.00	0.00%
Madhya Pradesh	0.04	0.00%	0.00	0.00%	0.00	0.00%
Karnataka	0.00	0.00%	0.16	0.01%	0.00	0.00%
Hyderabad	0.00	0.00%	0.00	0.00%	0.06	0.00%
Total Domestic Sale (A)	**2,869.67**	**61.86%**	**3,032.33**	**60.22%**	**3,790.07**	**56.55%**
Export						
China	954.75	20.58%	649.17	12.89%	1,412.80	21.08%
France	10.18	0.22%	24.01	0.48%	6.64	0.10%
Germany	0.00	0.00%	15.62	0.31%	27.19	0.41%
Indonesia	90.78	1.96%	48.86	0.97%	110.62	1.65%
Japan	557.23	12.01%	321.38	6.38%	66.24	0.99%
Thailand	0.00	0.00%	0.00	0.00%	167.27	2.50%
Switzerland	135.24	2.92%	237.38	4.71%	212.09	3.16%
Taiwan	0.00	0.00%	187.70	3.73%	14.86	0.22%
Mexico	7.27	0.16%	28.23	0.56%	23.02	0.34%

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Spain	13.99	0.30%	0.00	0.00%	0.00	0.00%
Czech Republic	0.00	0.00%	491.09	9.75%	871.26	13.00%
Total Export Sale (B)	**1769.44**	**38.14%**	**2003.46**	**39.78%**	**2911.99**	**43.45%**
Total (A+B=C)	**4,639.11**	**100.00%**	**5,035.79**	**100.00%**	**6,702.06**	**100.00%**

c) Following is our industry-wise revenue break up for the FY ending March 31, 2024, 2023 and 2022:

(₹ in lakhs)

Industry Segment	FY 2023-24		FY 2022-23		FY 2021-2022	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
PHARMA	1384.12	29.84%	1220.41	24.23%	1380.61	20.60%
High Performance Pigment and Speciality Dyes	1108.77	23.90%	1555.67	30.89%	2798.29	41.75%
Specialty Chemicals	1427.20	30.76%	1553.24	30.84%	1950.47	29.10%
Coating Applications	538.25	11.60%	515.37	10.23%	361.68	5.40%
Other Chemicals and Intermediates Industry	180.76	3.90%	191.11	3.80%	211.01	3.15%
Total	**4639.11**	**100%**	**5035.79**	**100%**	**6702.06**	**100%**

a) Our transaction-wise revenue break up for the FY ending March 31, 2024, March 31, 2023 and March 31, 2022

Transaction	FY 2023-24		FY 2022-23		FY 2021-2022	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
B-B	4639.11	100%	5035.79	100%	6702.06	100%
B-C	Nil	Nil	Nil	Nil	Nil	Nil
B-G	Nil	Nil	Nil	Nil	Nil	Nil
Total	**4639.11**	**100%**	**5035.79**	**100%**	**6702.06**	**100%**

**As certified by M/s JSD & Associates, Chartered Accountants, by way of their certificate July 15, 2024.*

OUR MANUFACTURING FACILITIES

Unit Name	Address
Manufacturing Unit	Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India.

For further details, kindly refer to the section titled; "Our Properties" mentioned below.

Factory Tour

technichem

Manufacturing Unit

Administrative Office at Factory

Entrance to Premises

Quality Control and R&D Centre

Plant 1 and Garden

Plant 2

Product formation Reaction Process

Reactors in Plant 3

Scrubbing System

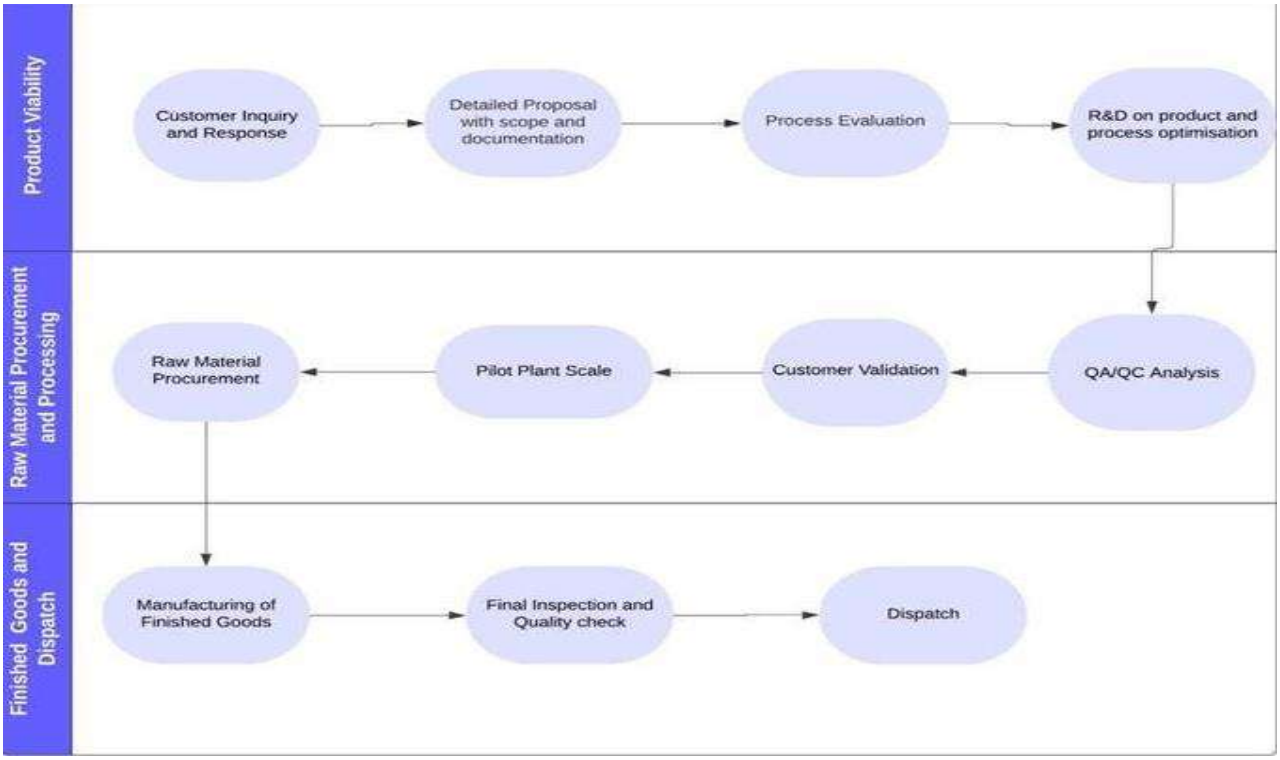
Inside of Quality Control

Inside of Research & Development

Boiler house consisting of Boiler and Thermic fluid heating system	***MVR_ waste water treatment facility***

OUR MANUFACTURING PROCESS

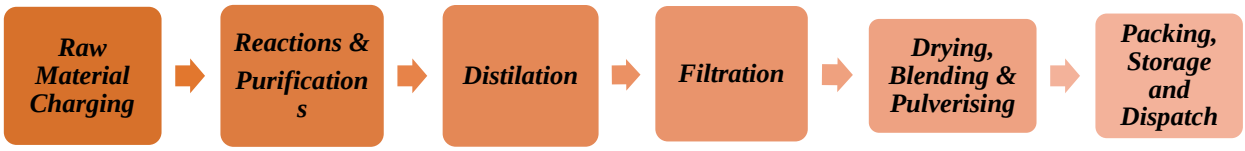
The following chart sets forth the end-to-end process for our custom synthesis and manufacturing operations:



With years of experience in the chemical industry, we have always been able to conduct successful chemical reactions such as Chlorination, Condensation, Oxidation, Reduction, Oxychlorination, Alkylation, Nitration, Etherification etc. We are a team of experienced personnel, who have served clients from around the globe fulfilling their requirement with synthesis, decomposition, single replacement and double replacement reactions.

Our custom synthesis and manufacturing agreements are typically (i) impose confidentiality and secrecy obligations on us and require us to comply with various international and organizational codes and practices including the ethical code of conduct in relation to code of conduct for service providers and privacy policies; (ii) require us to strictly adhere to the technical specifications mentioned therein; and (iii) provide our customers the right to inspect our manufacturing facilities for quality assurance system after providing reasonable notice to us, and may request a sample analysis of the products.

Brief manufacturing process of powder compound:



Brief manufacturing process of semi solid and liquid compound:

The raw materials are charged continuously/ batch-wise in reactors of suitable capacity and design based on the type of reaction. Other technical parameters such as temperature, pressure and reaction time are maintained based on the type of reaction to be carried out. When the reaction is complete, the product is analyzed and subjected to further processing, which includes filtration, continuous/ batch distillations, purification processes to get the required quality product. The product is ultimately tested to ensure it meets the applicable specifications before it is supplied to the customer. The foundation of our Company is our in-house research and development. We have dedicated in-house R&D Facilities and a Pilot Plant located at our Manufacturing Facility. Our chemistry and technology core competencies and all of our products have been developed by our own R&D team, scaled up in our Pilot Plant, and launched into production with in-house design and engineering. Our R&D Facilities are dedicated to the development of our pipeline and next generation products.

PLANT AND MACHINERY

The below mentioned plant and machineries are installed at our manufacturing unit:

Sr. No.	Description	Process	Units
1.	Stainless steel Reactor SSR 6KL	Reaction	17
2.	Stainless steel Reactor SSR 8KL	Reduction	5
3.	Stainless steel Reactor SSR 5KL	Distillation	3
4.	Glass lined reactor GLR	Reaction	8
5.	Stainless steel crystallizer CRL	Crystallizer	1
6.	Tile Lined vessel HV	Hydrolysis	5
7.	HDPE Reactor SYNT	Reactor	1
8.	Stainless steel coupling vessel CV	Coupling	1
9.	HDPE Reactor DV	Diazo	1
10.	HDPE scrubber for SO2	Scrubbing	1
11.	MS scrubber for Ammonia	Scrubbing	1
12.	PP filter press	Filtration	2
13.	Stainless steel fluidized bed dryer FBD	Drying	1
14.	Stainless steel tray dryer TD	Drying	2
15.	Stainless centrifuge CF	Filtration	2
16.	Rubber lined centrifuge CF	Filtration	7
17.	Agitated Nutche Filter cum dryer ANFD	Filter cum dryer	4
18.	Rotary vacuum dryer RVD	Drying	1
19.	Stainless-steel high-pressure Reactor SSR	Autoclave	4
20.	Teflon lined centrifuge CF	Filtration	1
21.	Glass line Rotary vacuum dryer RVD	Drying	1
22.	Stainless steel multimill MM	Milling	1
23.	Stainless steel sifter SF	Sifting	1
24.	Boiler for steam generation	Boiler	2
25.	Thermic fluid Heater TFH	Process heating	1
26.	FRP cooling tower CT	Process cooling	2
27.	Nitrogen generation plant	Process safety	1
28.	Diesel generating set DG	Power	1
29.	Chilling plant	Process cooling	3

As certified by M/s Mukund M. Patki, Chartered Engineer, by way of their certificate dated July 15, 2024.

CAPACITY AND CAPACITY UTILISATION

We have environmental clearance for manufacturing of up to 600 MT per month of Dye Intermediates, Dyes, Pigments vide letter dated December 27, 2019 from Ministry of Environment, Forest and Climate Change, Government of India. Further, we have consolidated consent and authorization from Gujarat Pollution Control Board, for the use of outlet for the discharge of treated effluent & air emission and to operate industrial plant for manufacture of Dye Intermediates, Dyes, Pigments of 330 MT per month. As on the date of this Draft Red Herring Prospectus, we have three plants at our factory and our total annual installed capacity is 9,50,000 kg per annum. Our installed capacity and capacity utilisation of our products for the last three Fiscals is set out in the table below:

Particulars	FY 2021-22			FY 2022-23			FY 2023-24		
	Installed capacity kg/year	Actual production kg/year	Capacity Utilisation (%)	Installed capacity kg/year	Actual production kg/year	Capacity Utilisation (%)	Installed capacity kg/year	Actual production kg/year	Capacity Utilisation (%)
Plant-1	6,00,000	4,70,812[@]	78	6,00,000	3,20,711	53	6,00,000	3,15,610	53
Plant-2	7,00,000	5,01,612	72	4,00,000[$]	3,07,831	77	3,00,000[#]	2,26,945	76
Plant-3	-	-	-	-	-	-	50,000[*]	30,700	61
Total	**13,00,000**	**9,72,424**	**75**	**10,00,000**	**6,28,542**	**63**	**9,50,000**	**5,73,255**	**60**

@ Plant-1 utilization is high during FY 2021-22 as in previous FY2020-21, there was no demand due to Covid-19 and suddenly demand increased in FY 2021-22.

$ Abase (Plant-2) - During the FY 2021-22, it was having abnormally high demand. It reduced to less than 60% during FY 2022-23 and our Company started diverting facility of Abase to other high value products like Blue CB and PPCA since the FY 2022-23 having lower volumes.

 # Some portion of Plant-2 was converted to Plant-3 and hence installed capacity of Plant-2 wase reduced from 400,000 kg/year during FY 2022-23 to 3,00,000 kg/year during FY 2023-24.

** Plant-3 equipment were installed in FY 2022-23 and commercial production started in FY 2023-24.*

***Note*:**

- The information related to installed capacity is based on the assumptions and estimates that have been taken into account for the calculation of installed production capacity.
- Quantities mentioned in CCA is not actually capacity of the plant, but it is quantity which can be made if any single product made with whole facilities, that situation is practically not possible and based on the running product mix, capacity will reduce.
- Considering the nature of our business catering to various types of specialty chemicals & intermediates, manufacturing of each product of which require different composition, technology and time and accordingly we have taken a combination of these factors to determine installed capacity and utilization percentage.
- For chemical multi-product plant, generally the plants cannot achieve 100% plant occupancy due to various reasons like change over procedure, built-in idle time, etc.
- If any further products are added, this plant utilization will be affected, it may increase or decrease based on processes of the product.

The above information is certified by M/s Mukund M. Patki, Chartered Engineer, by way of their certificate dated July 25, 2024.

RAW MATERIAL

The principal raw materials used in manufacturing of our products are methanolic acid, hydrazine hydrate, acetyl acetone, soda ash, etc. These raw materials are procured as per the production planning and are easily available in indigenous and overseas markets. We procure raw material from overseas countries like China, Japan and Germany over & above indigenous sources. The raw materials are being sourced from our suppliers on a regular basis. We do not envisage any difficulty in getting timely and adequate supply of raw materials. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers under contracts of shorter period or the open market. The prices of our key raw materials globally have been volatile and increases in the prices of these materials have an impact on our cost of production. We purchase these raw materials from a list of sources that we maintain, which has been approved by our internal quality control department following set standards and by our customers. We carefully assess the reliability of all materials purchased to ensure that they comply with the rigorous quality and safety standards required for our products. In an effort to manage risks associated with raw materials supply, we work closely with our suppliers to help ensure availability and continuity of supply while maintaining quality and reliability

Our raw material procurement policy outlines the principles and procedures governing the procurement activities of ***Technichem***, a manufacturer of specialty chemicals. The aim is to ensure transparency, efficiency, fairness, and accountability in all procurement processes while maintaining high-quality standards and achieving cost-effectiveness.

Procurement Process-

a. ***Planning***

- Identify procurement needs based on production schedules and inventory requirements.
- Prepare procurement plans outlining required raw materials, specifications, quantities, and budget allocations.

b. Supplier Selection

- Conduct market research to identify potential suppliers.
- Evaluate suppliers based on criteria such as quality, reliability, pricing, and compliance with regulatory standards.
- Establish long-term partnerships with reliable suppliers to ensure consistency and quality.

c. Review of Quotations

- Issue requests for quotations (RFQs) or requests for proposals (RFPs) based on procurement needs.
- Ensure fairness and transparency in the process.
- Evaluate quotations objectively based on pre-defined criteria and select the most suitable supplier.

d. Contracting

- Negotiate contracts with selected suppliers, specifying terms and conditions, pricing, delivery schedules, quality standards, and other relevant details.
- Ensure compliance with legal and regulatory requirements in contract agreements.
- Monitor contract performance and address any deviations or issues promptly.

e. Procurement Execution

- Monitor inventory levels and reorder supply as necessary to maintain production continuity.
- Coordinate with suppliers to ensure timely delivery.
- verify the quality and specifications of procured items upon receipt.

f. Supplier Relationship Management

- Foster open communication and collaboration with suppliers.
- Provide feedback to suppliers to improve performance and quality.
- Address any grievances or disputes through transparent and fair processes.

g. Ethics and Compliance

- Ensure adherence to ethical standards and integrity in all procurement activities.
- Prohibit any form of bribery, corruption, or conflict of interest.
- Comply with all applicable laws, regulations, and industry standards related to procurement.

h. Monitoring and Evaluation

- Regularly review and evaluate procurement processes to identify areas for improvement.
- Monitor indicators such as cost savings, supplier performance, and delivery times.
- Take corrective actions to address any shortcomings and optimize procurement practices.

i. Training and Capacity Building

- Provide training and development opportunities for procurement staff to enhance their skills and knowledge.
- Promote awareness of procurement policies, procedures, and best practices among employees.

j. Review and Revision

- Regularly review and update the procurement policy to reflect changes in internal needs, industry trends, and regulatory requirements.
- Solicit feedback from stakeholders to ensure the policy remains relevant and effective.

This procurement policy serves as a framework to guide the procurement activities. By adhering to the principles outlined herein, we aim to achieve excellence in procurement practices, support our business objectives, and contribute to the overall success of the organization.

The following table illustrates the concentration of our purchases among our top Suppliers:

(₹ in Lakhs)

Particulars	Suppliers					
	March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	%	Amount	%	Amount	%
Top 5	778.10	31.15%	1214.00	36.65%	1704.35	34.41%
Top 10	1174.64	47.02%	1804.09	54.46%	2654.59	53.59%

**As certified by M/s JSD & Associates, Chartered Accountants, by way of their certificate July 15, 2024.*

Following is our country-wise bifurcation of purchases for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Purchase	%	Purchase	%	Purchase	%
Domestic (India)						
Gujarat	984.20	49.44%	1,702.05	63.04%	2,243.83	54.51%
Maharashtra	696.19	34.97%	677.15	25.08%	1,395.42	33.90%
Telangana	310.39	15.59%	320.92	11.89%	476.92	11.59%
Total Domestic Purchase (A)	**1,990.77**	**79.69%**	**2,700.12**	**81.51%**	**4,116.18**	**83.10%**
Import						
China	461.93	18.49%	612.56	18.49%	802.95	16.21%
Japan	45.29	1.81%	0.00	0.00%	1.22	0.02%
Germany	0.00	0.00%	0.00	0.00%	33.13	0.67%
Total Import (B)	**507.23**	**20.31%**	**612.56**	**18.49%**	**837.29**	**16.90%**
Total (A+B=C)	**2,498.00**	**100.00%**	**3,312.68**	**100.00%**	**4,953.47**	**100.00%**

**As certified by M/s JSD & Associates, Chartered Accountants, by way of their certificate July 15, 2024.*

We usually do not enter into long-term supply contracts with any of our suppliers. However, our relationship with our customers and repeat business from them has also allowed us to develop a long-standing relationship with various raw suppliers. The ability to store raw materials, work in progress goods, products at our facilities enables us to withstand disruptions in supply as well as volatility in the price of raw material. We plan our inventory levels based on historical levels of sales, actual sale orders on hand and the anticipated requirements taking into consideration any expected fluctuation in raw material prices and delivery delay.

PRICING

We determine the prices for our products based on various parameters, including market demand, transportation costs, raw materials costs, inventory levels, credit terms and sometimes it is fixed for particular customers to maintain the relationship.

UTILITIES

Infrastructure Facilities

Our registered office and Manufacturing site is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. Our manufacturing facility is equipped with requisite utilities and modern infrastructure including the following:

Power

The requirement of power for our operations, at our Registered office is met through regional electricity provider i.e., Torrent Power. Our manufacturing process requires uninterrupted supply of Electric & Power for our manufacturing facilities. We consume a substantial amount of power for our business operations. Our power requirements are met through State Electricity Board, i.e., Madhya Gujarat Vij Company Ltd. The sanctioned load of our Company is 475 KVAH for our manufacturing facility. Further, to meet exigencies in case of power failure, we have also installed D.G. sets at our manufacturing unit.

Fuel

We use bio coal and bio mass briquettes and woods, in case of shortage of bio coal, for thermic and steam boilers at our factory. We procure the same from local vendors. Further, diesel is required for the DG sets.

Water

Our company's registered office has adequate water supply arrangements for human consumption which is procured from local authorities.

We source water requirements for manufacturing operations from recycled water using Mechanical Vapor Recompression and from borewell installed at our factory and we procure water tankers from local vendors for human consumption and gardening purpose to fight pollution and dust besides beautification.

Steaming & cooling arrangement

Utilities like chilling plants and cooling towers are required to maintain the designed process conditions during the reactions. We currently have steam boilers, oil heating unit, water softener plant, cooling towers, chilling plant, air compressors, etc. facilities for steaming and cooling required during our manufacturing process. Currently, our requirement of ice is met by purchasing from market. Further we are in the process of installing other chilling plant, cooling tower to increase our production capacity from Issue proceeds, for further details see "*Objects of the Issue*" on page 89 of this Draft Red Herring Prospectus.

Effluent treatment

The manufacture of intermediates involves generation of residues and discharges which may lead to pollution of air, water or soil if not treated and disposed in an appropriate manner. We have in place management and environment controls and systems, which control and prevent processes, residues and discharges from polluting the air, ground or water. The liquid waste is the water from the processes, boiler blow-down, cooling tower blow-down, etc. This water has impurities like suspended solids, oil & grease etc. This water is treated by primary and secondary treatment. Primary treatment consists of equalization, neutralization, separation and filtration. Secondary treatment consists of Mechanical Vapor Recompression from which approx. 70% effluent gets purified and it's recycled in process. Remaining approx. 30% rejected water is converted into solid through spray dryer and drum dryer. Our manufacturing unit is having membership with BEIL Infrastructure Limited, Safe Enviro Private Limited and Maurya Enviro Project Private Limited for the Common Solid waste Disposal Facility and Common Hazardous Waste Management Facility. For gaseous emissions we have absorption towers, airborne emissions are scrubbed in scrubbers and are discharged after removal of hazardous soluble gases and insoluble particles like dust. We already have 2 scrubbers and intends to buy 4 more scrubbers, for further details see "*Objects of the Issue*" on page 89 of this Draft Red Herring Prospectus.

Quality control

Quality control has two aspects: one is maintaining the quality of raw materials, and another is maintaining the quality of the products we manufacture. Keeping in mind this objective, we have quality control departments at our factory, the activities of which comprise of collection and preparation of samples, testing of raw materials and other process inputs inspection, testing and preparation of technical information sheet.

CUSTOMERS, SALES AND MARKETING

Our business is predominantly conducted on a business-to-business basis and our focus is on maintaining constant contact with customers and to ensure timely delivery. The efficiency of the marketing network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team through their experience owing to timely and quality delivery of services plays an instrumental role in creating and expanding a work platform for our Company. We have in-house team which looks after the sales and marketing of our products. Our in-house team work closely with our existing and prospective customers to understand their technical needs and specifications, evolving preferences and meet their requirements. Synopsis of our marketing strategy:

1. Market Research and Analysis:

- Conduct extensive market research to understand current trends, demand patterns, competitor landscape in specialty chemicals sectors.
- Identify key customer segments, their needs, preferences and pain points,
- Analyse regulatory requirements and industry standards affecting the manufacturing and marketing of dyes and pharma intermediates.

2. Segmentation and Targeting:

- Segment the market based on factors such as industry, application, geography, and customer size.
- Prioritize target segments based on growth potential, profitability, and alignment with company capabilities.
- Develop tailored marketing strategies for each segment to maximize impact and Roi.

3. Brand Positioning:

- Define a clear and compelling brand positioning that differentiates our Company from competitors.
- Highlight Unique Selling Propositions (USPs) such as product quality, reliability, and customer service.
- Ensure consistent messaging across all marketing channels to reinforce brand identity.

4. Product Portfolio Management:

- Evaluate the existing product portfolio and identify opportunities for product optimization, diversification, or discontinuation.
- Introduce new products or formulations that address emerging market needs or offer competitive advantages.
- Develop a roadmap for product development and improvement to stay ahead of market trends.

5. Marketing Channels:

- Utilize a multi-channel approach to reach target customers effectively.
- Leverage digital marketing channels such as website, social media and email marketing to increase brand visibility and generate leads.
- Explore traditional channels like trade shows, industry publications, and direct mail to engage with decision-makers in the dyes and pharma industries.

6. Sales and Distribution:

- Provide training and support to sales teams to effectively communicate product benefits and overcome customer objections.
- Implement a robust sales tracking system to monitor performance, identify opportunities, and address challenges in real-time.

7. Customer Relationship Management (CRM):

- Develop personalized communication strategies to engage customers throughout the buying journey and encourage repeat purchases.
- Solicit feedback from customers to continuously improve products and services.

8. Regulatory Compliance and Quality Assurance:

- Adhere to strict regulatory standards and quality control processes to ensure product safety and efficacy.
- Communicate compliance certifications and quality assurance measures to build trust and credibility with customers.
- Stay abreast of regulatory changes and industry best practices to maintain a competitive edge.

By implementing this comprehensive marketing strategy, we can strengthen our market presence, drive growth, and achieve long-term success in the industry.

INVENTORY MANAGEMENT

Our finished products, work in progress and raw materials are mainly stored on-site at our manufacturing facilities. We produce a quantity of finished products that is determined based on a combination of confirmed and expected orders. In

some cases, according to customer demand we hold strategic stocks, so our lead times can be reduced. These are in most cases according to inventory policy with customers, but in some instances, these are pro-active steps taken to ensure better supply chain management.

LOGISTICS

Our suppliers directly deliver raw materials to our manufacturing facilities. We outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided between the customers and Company.

COMPETITION

We operate in chemical industry, which faces competition from domestic as well as international players. Competition emerges from the organized and unorganized sector but also from small and big players. Our competitiveness depends on several factors which includes quality, price and customer services. However, we at *Technichem* hold a competitive advantage due to our deeper level of backward integration. This allows us to enhance operational efficiency, reduce costs, and ensure greater control over our production processes. The inclusion of speciality chemicals underscores our commitment to providing a comprehensive range of products to meet diverse industry needs. Additionally, we manufacture other specialty chemicals used in dyes and pigment intermediates industries, demonstrating our capacity to deliver a wide spectrum of products tailored to various applications within the same space. *Technichem* distinguishes itself through its diversity in both end uses and chemical processes. This strategic diversification safeguards us from potential downturns in any single market, providing stability and resilience. We intend to continue competing vigorously to capture more market share and manage our growth optimally by improving our brand image, expanding our product offerings, satisfying customer demands, achieving operating efficiencies.

INFORMATION TECHNOLOGY

Our IT systems are vital to our business and we have adopted an IT policy to assist us in our operations. We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track government levies, procurement of materials and supply of products, payments to suppliers and receivables from customers, we also have *Tally 9* for our accounting related work.

REPAIR AND MAINTENANCE

We conduct periodic repair and maintenance programs for our manufacturing facilities. Our machinery and electrical repair teams carry out periodic maintenance and repair of the plant and machineries on preventive basis and on breakdown basis. In addition, our manufacturing facilities is periodically inspected by our technicians.

ENVIRONMENT, HEALTH & SAFETY

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes and employee health and employee safety. For further information, see *"Key Industry Regulations and Policies"* beginning on page 155 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business. For further information, see *"Government and Other Statutory Approvals"* beginning on page 260 260of this Draft Red Herring Prospectus.

HUMAN RESOURCE

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 kind of business.

As of June 30, 2024, our registered office and manufacturing facility employs 72 personnel. These employees oversee various aspects of our manufacturing operations, including production, quality control, technical and engineering support services, inventory management, administration, accounting, secretarial duties, as well as other functions such as storage, packing, and dispatch.

Guided and supervised by our directors, our workforce comprises a balanced blend of experienced professionals and young talent. This combination affords us the dual advantage of stability and growth. The dedication of our team, along with their diverse skill sets ranging from skilled to semi-skilled and unskilled, coupled with our robust management team, has facilitated the successful implementation of our growth strategies.

At present, our employees are not unionized, and we have not encountered any work disruptions, strikes, lockouts, or other forms of employee unrest. The Company maintains that its relations with its employees are positive. We uphold stringent safety standards in our facilities to ensure that our employees are not exposed to any hazards, prioritizing their well-being and security. In addition to our full-time employees, we frequently hire workers on a contractual basis, for certain services at our manufacturing facility like loading, unloading, housekeeping etc. The number of contract labourers varies from time to time based on the nature and extent of work contracted to independent contractors. The breakdown of our Company's permanent employees in different functionalities as of June 30, 2024 has been provided below:

Sr. No	Department/Function	No of Employees
1.	Production Department	38
2.	Quality Control, Research & Development Department	8
3.	Store Department	2
4.	Engineering Department	12
5.	Purchase Department	1
6.	Finance, Legal & Secretarial Department	4
7.	Sales and Marketing Department	2
8.	HR & Administration Department	5
Total		**72**

EXPORT AND EXPORT OBLIGATIONS

As on date of this Draft Red Herring Prospectus, our Company does not have any export obligation.

COLLABORATION

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

INSURANCE

Our Company maintains insurance against various risks inherent in our business activities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses.

The following are the details of the insurance policies obtained by our Company:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Policy No.	Sum Insured (₹ in Lakhs)	Net Premium excluding taxes p.a. (₹ in Lakhs)
1.	Tata AIG General Insurance Company Limited	Marine Cargo Open Policy	From 13/04/2024 to 12/04/2025	0865091358	Domestic Turnover – 3,000.00 Export- 2,500.00 Domestic Purchase – 2,500	1.05
2.	The Oriental Insurance Company Limited	Boiler and Pressure Plant Insurance Policy	From 02/07/2024 to 01/07/2025	141500/44/2025/19	79.53	0.06
3.	The Oriental Insurance	Oriental Bharat Laghu Udyam Suraksha Policy	From 31/03/2024	141500/11/2024/1749	4,950.00	7.01

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Policy No.	Sum Insured (₹ in Lakhs)	Net Premium excluding taxes p.a. (₹ in Lakhs)
	Company Limited		to 30/03/2025			
4.	Tata AIG General Insurance Company Ltd.	Public Liability Act Policy	From 23/01/2024 to 22/01/2025	0304006055 03 00	300.00	0.13
5.	TATA AIG General Insurance Company Ltd.	Employees Compensation Insurance Policy	From 06/07/2024 to 05/07/2025	2250031954	Aggregate Limit for all accidents and claims arising there from during the Period of Insurance Rs.7,500.00 Lakh	2.50
6.	Go Digit General Insurance Limited.	Digit Private Car Stand-alone Own Damage Policy	From 03/11/2023 to 02/11/2024	D122563243 /02112023	31.88	0.57
7.	TATA AIG General Insurance Company Limited.	Auto Secure - Private Car Package Policy	From 07/07/2024 to 06/07/2025	3101290062 03 00	18.96	0.60
8.	TATA AIG General Insurance Company Limited.	Auto Secure - Private Car Package Policy	From 04/07/2024 to 03/07/2025	3100420519 02 00	8.29	0.16
9.	Liberty General Insurance Limited	Stand-alone Own Damage Policy	From 31/03/2024 to 30/03/2025	2025-400201 -23-7005975-01-000	14.00	0.16
10.	Royal Sundaram General Insurance Co. Limited	Private Car Package Policy	From 06/12/2023 to 05/12/2024	VPC1559160000102	13.75	0.36

PROPERTIES

The details of the immovable properties owned by our Company are given here below:

Sr. No.	Name of the Sellers	Address of the Property	Area of the Property	Date of sale Deed	Consideration (Rs. in Lakhs)	Purpose
1	Mr. Bharwad Bhikhabhai Vaghabhai	Survey No. 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India.	19, 200 Square meters	August 26, 1996	2.51	Manufacturing unit
2	Mr. Bharat Jayantilal Pandya and Mr. Anil Jayantilal Pandya	Survey No. 342 and 346, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India.	6, 879 Square meters	December 28, 2023	120.38	
3	Gujarat Industrial Development Corporation	Saykha Industrial Estate, Plot No. C-297, Survey No. 374/1/P, 374/2/P, 378/P, 400/P, 401/P, Village – Saykha,	18,285.621Square meters	February 27, 2019	349.44	Investment

Sr. No.	Name of the Sellers	Address of the Property	Area of the Property	Date of sale Deed	Consideration (Rs. in Lakhs)	Purpose
		GIDC Industrial Estate, Taluka- Vagra, District – Bharuch,				

The details of the immovable properties taken on lease / license basis by our Company are given here below:

Sr. No	Address	Name of Owner	Area of the Property	Period of Agreement	Rent (Rs. in Lakhs)	Purpose
1	Office No. 24, 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad – 380009, Gujarat, India.	Ms. Alpa Bharat Pandya	44.15 Square meter	11 months from July 17, 2024	0.40 per month	Registered Office
2	Office No. 23, 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad – 380009, Gujarat, India.	Ms. Shailaja Anil Pandya	44.15 Square meter	11 months from July 17, 2024	0.40 per month	

INTELLECTUAL PROPERTY

Trademarks / patents / copyright/registered/objected/abandoned in the name of our company:

Sr. No	Brand Name/Logo Trademark	Class	Registration/ Application number	Owner	Authority	Date of Registration/ Application	Current Status
1.	Word "TECHNICHEM"	1	6487230	Technichem Organics Private Limited	The Trade Marks Registry,	June 19, 2024	Formalities Check Pass
2.	technichem	1	6487231				
3.	Word "TECHNICHEM"	35	6487232				
4.	technichem	35	6487233				

DOMAIN DETAILS

Sr. No	Domain Name	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	https://www.technichemorganics.com/	Registry Domain ID: 405229347_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a Registrar IANA ID: 303	April 09, 2006	April 09, 2025

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled "Government and Other Approvals" on page 260 of this Draft Red Herring Prospectus.

THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by the SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules,1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination-based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

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) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

State Tax on Profession, Trades, Callings and Employment Rules, 1975

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 each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. 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.

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules")

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 ("Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents by, inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

The Public Liability Insurance Act, 1991 ("PLI Act") and the Public Liability Insurance Rules, 1991

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

The Dangerous Drugs Act, 1930 (the "Dangerous Drugs Act")

The Dangerous Drugs Act centralizes and vests in the Central Government the control over certain operations relating to dangerous drugs. Dangerous drugs have been defined to include coca leaf, hemp and opium, and all manufactured drugs. It enables the Central Government to prescribe the method by which percentages in the case of liquid preparations shall be calculated for the purposes of coca leaf, coca derivative, opium and opium derivative. The Dangerous Drugs Act prohibits the cultivation of coca plant, manufacture and possession of prepared opium and import into India and export from India, transship or sell prepared opium. The Central Government is also enabled to control the production and supply of opium and also the manufacture of manufactured drugs. Violations of the provisions of the Dangerous Drugs Act entail punishments including imprisonment or fine or both.

The Narcotic Drugs and Psychotropic Substances Act, 1985 (the "NDPS Act")

The NDPS Act is a legal framework which seeks to control and regulate the operations relating to narcotic drugs and psychotropic substances. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, import into India and transhipment of narcotic drugs and psychotropic substances, except for medical or scientific purposes. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by either imprisonment or monetary fines or both.

The Drugs and Cosmetics Act, 1940 ("Drugs Act") and the Drugs and Cosmetics Rules, 1945 ("Drugs Rules")

The Drugs Act regulates the import, manufacture, distribution and sale of drugs and prohibits the manufacture and sale of drugs which are misbranded, adulterated or spurious. The Drugs Act and the Drugs Rules specify the conditions for grant of a license for the manufacture, sale, import or distribution of any drug or cosmetic and regulation of operation of blood banks. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Violation of certain provisions of the Drugs Act, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents, are punishable with a fine, or imprisonment or both.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act seeks to regulate, inter alia, the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

The Static and Mobile Pressure Vessels (Unfired) Rules 2016 ("SMPV Rules")

The SMPV Rules regulate the manufacture, filling, delivery, import, modification and repair of pressure vessels. Under the SMPV Rules, licences are required to be obtained for storage and transportation of compressed gas. The SMPV Rules also prescribe conditions under which the licences can be amended, renewed, suspended or cancelled.

The Legal Metrology Act, 2009

Legal Metrology Act, 2009 was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, with effect from March 1, 2011.

The Explosives Act, 1884 ("Explosives Act")

The Explosives Act is a comprehensive law which regulates the licensing of manufacturing, possession, sale, transportation, export and import of explosives. According to the definition of 'explosives' under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a licence granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act.

Fire Prevention Laws

The state legislatures in India have enacted laws regulating public order and police, which provide, inter alia, for the registration of chemical manufacturing facilities and obtaining a 'no objection certificate' for operating such manufacturing facilities, from the licensing authority, along with prescribing penalties for non-compliance. The state legislatures have also enacted legislations for fire control and safety which are applicable to our manufacturing facilities. The legislations include provisions in relation to provision of fire safety and life saving measures including maintenance of a fire brigade, by occupiers of buildings, licensing provisions and penalties and/or suspension or cancellation of license for non-compliance.

The Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardization, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer's compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at https://firms.rbi.org.in.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder:

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015.

Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

LAWS RELATED TO ENVIRONMENTAL LAWS

Environment (Protection) Act, 1986 as amended ("EPA")

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants in to water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

The Air (Prevention & Control of Pollution) Act, 1981(the "Air Act")

One Central Pollution Control Board, as well as state pollution control boards formed under water act shall be deemed to be Central Board & State Board for the Prevention and Control of air Pollution. The Air Act prohibits that no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Board.The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

National Environmental Policy, 2006

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

The Wetlands (Conservation and Management) Rules, 2017

The Wetlands (Conservation and Management) Rules, 2017 aims to conserve and manage wetlands, including lakes, ponds, and other water bodies. The Rule provides guidelines for the identification, protection, and restoration of wetlands across the country.

National Green Tribunal (NGT) Act, 2010

National Green Tribunal (NGT) Act, 2010 has jurisdiction over cases related to environmental protection and pollution control, including disputes or violations concerning the establishment and operation of Effluent Treatment and Recycling plants. The NGT can issue orders and directives to ensure compliance with environmental laws and regulations.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, "hazardous waste" inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator

of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

LAWS RELATING TO INTELLECTUAL PROPERTY

Trademarks Act, 1999

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

The Patents Act, 1970

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

LAWS RELATED TO EMPLOYMENT OF MANPOWER:

The Factories Act, 1948 ("Factories Act")

The term 'factory', as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act, 1948, as amended by the Factories Act, 1987, served to assist in formulating national policies in India with respect to occupational safety and health in factories and docks in India. The Factories Act mandates the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "occupier" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. 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.

Code on Wages, 2019

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) 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 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 prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the "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 ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of 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. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Public Liability Insurance Act, 1991 ("PLI Act")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")

- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 ("Maternity Act")
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

OTHER GENERAL REGULATIONS

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Other regulations:

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, Stamp Act of respective States and Indian Easements Act, 1882.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated under the name *"Technichem Organics Private Limited"* under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1996, issued by the Registrar of Companies Gujarat. Subsequently, the status of the Company was changed to public limited and the name of our Company was changed to *"Technichem Organics Limited"* vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on April 30, 2024. The fresh certificate of incorporation consequent to conversion was issued on July 04, 2024, by Centralised Processing Centre. The Corporate Identification Number of our Company is U24231GJ1996PLC028917.

Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal were the initial subscribers to the Memorandum of Association of our Company. Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal are the current promoters of our Company. For further details of our promoters please refer the chapter titled "*Our Promoters and Promoter Group*" beginning on page 182 of this Draft Red Herring Prospectus.

Our Company is mainly engaged in the business of manufacturing of a wide range of chemicals, Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry that serves multiple industries. We currently have 3 Plants named as Plant-1, Plant-2 and Plant-3 at our manufacturing facility located at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India. For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled "*Our Business*", "*Industry Overview*", "*Our Management*", "*Restated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages, 131, 112, 167, 188 and 243 respectively of this Draft Red Herring Prospectus.

Our Company has 13 (Thirteen) shareholders as on the date of filing of this Draft Red Herring Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
12, Swetal Society, Gulbai Tekra, Ellisebridge Ahmedabad – 380006 Gujarat, India.	5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura, Ahmedabad – 380009, Gujarat, India.	March 5, 2019	Administrative Purpose

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
1996	Incorporation of our Company as private limited company
1996	Purchase of Factory land.
1996	Registered with Income Tax and DGFT.
1997	Got Licence to work as Factory
1997	Raised our 1st Invoice to M/s. Nemichem Industries
2000	First Export Sales to Germany.
2015	ISO 9001:2008 in accordance with the requirements of Quality Management System
2015	ISO 14001:2004 in accordance with the requirements of Environmental Management System
2017	Registration under GST.
2018	Purchase of Industrial Plot at Saykha GIDC.
2019	Environment Clearance from Govt. of India for production of 7200 MT per year at Khambhat site.
2020	Obtained One Star Export House Status.
2020	Increased Power Sanctioned Load up to 475 KVA.
2021	Granted CTE & CCA from GPCB for enhanced production of 350 MT Per month.
2023	Introduced Air Oxidation Chemistry to increase Products Range
2024	Purchase further 6,879 square meters land at Khambhat sit making total area of 2,6079 square meters.
2024	Conversion of our Company from Private Limited to Public Limited Company

MAIN OBJECTS OF OUR COMPANY

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

1. To carry on in India or elsewhere the business to manufacture, produce, process, compound, mix, pack, formulate, condense, distill, rectify, sterilize, pasteurize, steam, evaporate, vapourise, cool filter, commercialise, develop, treat, cure, refine, extract, operate, manipulate, prepare, purify, protect, preserve, disinfect, turn to account, and to act as broker, agent, stockists, distributors, consultants, collaborator, buyer, seller, exporter, importer, job worker, vendor, contractor, supplier or otherwise to deal in all types of organic, industrial, laboratory, photographic, fine, biological, pathological, pharmaceutical, and other chemicals, compounds, formulations, preparations, acids, solvents, solutions, derivatives, fluids, products, by products, residues, catalyst, reagents, mixtures, concentrates, lumps, powders, granules and allied items.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Type	Nature of Amendment
July 21, 2021	EOGM	**Clause III and IV of our Memorandum of Association was amended to reflect:** Alteration in Object Clause, pursuant to the provisions of the Companies Act, 2013: The existing Clause III [C] named as "Other Objects" along with all its paragraphs 1 to 43 is deleted in full. Alteration in Liability Clause, pursuant to adoption of Memorandum of Association as per the provisions of the Companies Act, 2013: The existing liability clause be substituted in line of new clause provided as per Companies Act, 2013. The words and figures "the Companies Act, 1956" wherever appearing in the Memorandum of Association is substituted and replaced by the words and figures "the Companies Act, 2013" and reference of relevant provisions of the Companies Act, 1956 is substituted and replaced with the reference of relevant provisions of the Companies Act, 2013. **Clause V of our Memorandum of Association was amended to reflect:** Increase in Authorized Share Capital of our Company from ₹ 75,00,000 (Rs. Seventy-Five Lakhs) divided into 7,50,000 equity shares of ₹10/- each to ₹ 1,75,00,000 (Rs. One Crore Seventy - Five Lakhs) divided into 17,50,000 equity shares of ₹10/- each.
November 24, 2021	EOGM	**Clause V of our Memorandum of Association was amended to reflect:** Increase in Authorised Share Capital of the company from ₹ 1,75,00,000 (Rs. One Crore Seventy-Five Lakhs) divided into 17,50,000 equity shares of ₹10/- each to ₹ 3,00,00,000 (Rs. Three Crore) divided into 30,00,000 equity shares of ₹10/- each.
April 12, 2024	EOGM	**Clause V of our Memorandum of Association was amended to reflect:** Increase in Authorised Share Capital of the company from ₹ 3,00,00,000 (Rs. Three Crore) divided into 30,00,000 equity shares of ₹10/- each to ₹ 18,00,00,000 (Rs. Eighteen Crore) divided into 1,80,00,000 equity shares of ₹10/- each.
April 30, 2024	EOGM	**Clause I of our Memorandum of Association was amended to reflect:** Change in the name clause from *"Technichem Organics Private Limited"* to *"Technichem Organics Limited"* pursuant to conversion into public limited company.

OUR HOLDING COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

OUR SUBSIDIARY COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary Company.

OUR ASSOCIATE COMPANY

As on date of this Draft Red Herring Prospectus, our Company does not have any Associate Company except Khambhat Environ Care Association.

ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

We do not have any financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

SHAREHOLDERS' AGREEMENT

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Red Herring Prospectus.

LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Red Herring Prospectus.

TIME/COST OVERRUN IN SETTING UP PROJECTS

There has been no time and cost overruns in our Company as on date of this Draft Red Herring Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled "*Our Business*" beginning on page 131 of this Draft Red Herring Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors except as mentioned in Material development in chapter titled "Management's discussion and analysis of financial conditions & results of operations" beginning on page 246 of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Draft Red Herring Prospectus.

JOINT VENTURES

As on the date of this Draft Red Herring Prospectus, there are no joint ventures of our Company.

GUARANTEES GIVEN BY OUR PROMOTERS

As on the date of this Draft Red Herring Prospectus, the residential properties of our Promoters have been provided as collateral security. Our promoters have also extended personally guarantee towards loan facilities availed by our Company. For further details, please see chapter titled "Restated Financial Statements" and "Financial Indebtedness" beginning on pages 188 and 243 of this Draft Red Herring Prospectus.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTOR, PROMOTERS OR ANY OTHER EMPLOYEE

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

CAPITAL RAISING (DEBT/EQUITY)

Except as set out in the sections titled "Capital Structure" and "Financial Indebtedness" beginning on page no 76 and 243 respectively of this Draft Red Herring Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

MATERIAL AGREEMENTS

Except as disclosed above and in the chapter titled *"Our Business"* on page 131 of this Draft Red Herring Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Red Herring Prospectus.

STRATEGIC PARTNERS

As of the date of this Draft Red Herring Prospectus, our Company does not have any Strategic Partners.

FINANCIAL PARTNERS

As on the date of this Draft Red Herring Prospectus, our Company does not have any other financial partners.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Company has Six (6) Directors, 1 (One) as Chairman & Managing Director, 2 (Two) as Wholetime Director, and 3 (Three) as Non-Executive Independent Director. There are 2 (Two) Woman Director in our Board.

The details of the Directors are as mentioned in the below table:

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
Name: Mr. Bharat Jayantilal Pandya **Father's Name:** Mr. Jayantilal Harijivandas Pandya **Age:** 62 years **Date of Birth:** August 21, 1961 **Designation:** Chairman & Managing Director **Address:** 5, Arya-1, Opp. State Bank of India, Panjarapole Char Rasta, Nr. Goyal Tower, Ahmadabad City, Manekbag, Ahmedabad-380015, Gujarat, India. **Occupation:** Salaried **Nationality:** Indian **Term:** 3 (Three) years with effect from on July 17, 2024, liable to retire by rotation **DIN:** 00921775	Originally Appointed as Director of our Company on February 27, 1996 Reappointment as Chairman cum Managing Director of our Company on July 17, 2024	• Khambhat Environ Care Association
Name: Mr. Pandya Anilkumar Jayantilal **Father's Name:** Mr. Jayantilal Hargovindas Pandya **Age:** 61 years **Date of Birth:** May 21, 1963 **Designation:** Whole Time Director **Address:** 603 Ambience Tower, Near Tulip Bunglow, Bodakdev, Vastrapur, Ahmedabad City, Ahmedabad – 380054, Gujarat, India. **Occupation:** Salaried **Nationality:** Indian **Term:** 3 (Three) years with effect from on July 17, 2024, liable to retire by rotation **DIN:** 00921815	Originally Appointed as Director of our Company on February 27, 1996. Appointed as Whole Time Director of our Company on July 17, 2024.	Nil

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
Name: Mr. Piyush Maganlal Nathwani **Father's Name:** Mr. Maganlal Gordhandas Nathwani **Age:** 63 years **Date of Birth:** April 24, 1961 **Designation:** Whole Time Director **Address:** F-14, Gods Gift, Shashwat Bungalows, Dahej Bypass Road, Bharuch-392001, Gujarat, India. **Occupation:** Salaried **Nationality:** Indian **Term:** 3 (Three) years with effect from on July 17, 2024, liable to retire by rotation **DIN:** 07112017	Originally appointed as Whole-time Director of our Company on July 01, 2020 for a period of 5 years Reappointed as Whole-time Director of our Company on July 17, 2024 for a period of 3 years	Nil
Name: Ms. Anal Ruchir Desai **Father's Name:** Mr. Narendra Kalidas Shah **Age:** 45 years **Date of Birth:** February 03, 1979 **Designation:** Non-Executive Independent Director **Address:** 8-A, Yogeshwar Nagar Society, Bhatta Paldi, Ahmedabad City, Ahmedabad, Paldi – 38007, Gujarat, India. **Occupation:** Professional **Nationality:** Indian **Term:** Appointed as Non-Executive Independent Director with effect from July 17, 2024 for a period of 5 years **DIN:** 02636329	Appointed as Non-Executive Independent Director of our Company on July 17, 2024	• Odigma Consultancy Solutions Limited • Samurai Holdings Private Limited • Prism Finance Limited • Pirimid Technologies Limited
Name: Mr. Utsav Milan Shah **Father's Name:** Mr. Milan Champaklal Shah **Age:** 33 years **Date of Birth:** May 14, 1991 **Designation:** Non-Executive Independent Director **Address:** Plot no - 184, Room no -13, Manibai Trust House, Sion Main Road, Near Sion Hospital, Sion-West, Mumbai, Mumbai- 400022, Maharashtra, India.	Appointed as Non-Executive Independent Director of our Company on July 17, 2024	• GNH India Pharmaceuticals Limited

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
Occupation: Professional **Nationality:** Indian **Term:** Appointed as Non-Executive Independent Director with effect from July 17, 2024 for a period of 5 years **DIN:** 07828652		
Name: Ms. Jaina Mehulbhai Mehta **Father's Name:** Mr. Mehul Chinubhai Mehta **Age:** 36 Years **Date of Birth:** June 04, 1988 **Designation:** Non-Executive Independent Director **Address:** 202, Ambience Tower, Near Reliance Fresh, Chief Justice Bunglow Lane, Judges Bunglow Road, Ahmedabad City, Ahmedabad – 380054, Gujarat, India. **Occupation:** Business **Nationality:** Indian **Term:** Appointed as Non-Executive Independent Director with effect from July 17, 2024 for a period of 5 years **DIN:** 08573437	Appointed as Non-Executive Independent Director of our Company on July 17, 2024	• Polyseal Cable Accessories Private Limited • Parkmitra LLP

BRIEF PROFILE OF OUR DIRECTORS

Mr. Bharat Jayantilal Pandya, aged 62 years, is one of the Promoters, Chairman and Managing Director of our Company. He has completed his Bachelor of Engineering (Mechanical) from Gujarat University, Ahmedabad in the year 1982. He has been associated with our Company since incorporation and has experience of more than 28 years in our Company. He is responsible for marketing, management and office administration of our Company. He formed and guided a team of sales and marketing that helped the organization's products reach customers across India and in international markets and find applications in various industries. He has crafted and executed strategic plans aligning business objectives with market dynamics, driving sustainable growth and profitability. He has been instrumental in effective marketing, procurement and strategic initiative driving continuous growth of our Company. He ensures the collaborative work environment, inspiring and empowering teams to achieve exceptional results and exceed business goals. Further, He is result oriented, focused, hardworking person and provides strategic advice and guidance to the members of the Board of Directors, to keep them aware of developments to ensure that appropriate policies are developed.

Mr. Pandya Anilkumar Jayantilal, aged 61 years, is one of the Promoters and Whole Time Director of our Company. He has completed his Second Year of B.com from Gujarat University, Ahmedabad in the year 1984. He has been associated with our Company since incorporation and has experience of more than 28 years in our Company. He is responsible for the day-to-day administration of our factory, overseeing the production infrastructure, efficient utilization of resources at factory and logistics management. He has a practical approach to achieving the necessary goals. His extensive experience helps staff members to achieve goals in a dynamic and challenging corporate environment. He realized the importance of quality of products to meet competition and mentored our Company for ISOs Certification. He has played a key role in developing several products, processes and leading speciality chemicals research and development.

Mr. Piyush Maganlal Nathwani, aged 63 years, is the Whole Time Director of our Company. He holds a degree of Post Graduate Diploma in Business Management from Rajendra Prasad Institute of Communication & Management, Bombay in the year 1983. He has completed his Bachelor of Engineering (Mechanical) from Gujarat University, Ahmedabad in the year 1987. He has been associated with our Company since 2020 and has vast experience of more than 42 years in chemical industry. He has been previously associated with M/s. Shree Digvijaya woollen Mills Limited, M/s. Shri Dinesh Mills Limited, M/s. Cyanides & Chemicals Company, M/s. Citurgia Biochemicals Limited, M/s. Khatau Junker Limited, M/s. Sun Pharmaceutical Industries Limited, M/s. Glenmark Pharmaceuticals Limited, M/s. ZCL Chemicals Limited, M/s. Meghmani Industries Limited, M/s. Benzo Chem Industries Private Limited as Director with the responsibility of Factory occupier for chemical plant. He is responsible for the production process. He looks after production planning, quality assurance and product improvement.

Ms. Anal Ruchir Desai, aged 45 years, is the Non-Executive Independent Director of our Company. She is a fellow member of The Institute of Company Secretaries of India. She holds Bachelor Degree in Commerce from Gujarat University, Ahmedabad in the year 1999 and Master Degree in Commerce from Gujarat University in the year 2006. She has around more than 15 years of working experience as Company Secretary. In her previous instinct, she has been associated with M/s. Gopala Polyplast Limited. Currently, she is working with M/s Denis Chem Lab Limited as Company Secretary and Compliance Officer looking after various compliances of relevant provisions under Company Law, SEBI Listing regulations, FEMA on regular basis, heading the Secretarial Department and is involved with various activities relating to Company law compliances on the matters related to Board Meetings, General Meetings of the Company, Stock Exchanges compliances under SEBI Listing regulations and overall corporate compliance under various laws and regulations as applicable to a Listed Company and involved in liaisoning with the various authorities like ROC, RTA, CDSL / NSDL and Stock Exchange.

Mr. Utsav Milan Shah, aged 33 years, is the Non-Executive Independent Director of our Company. He is Chartered Accountant by qualification and holds Degree in Masters of Commerce from University of Mumbai in the year 2016. He has done post qualification course in Information Systems Audit (ISA) conducted by The Institute of Chartered Accountants of India in the year 2017. He is having around 9 years of experience in the field of international tax planning, transfer pricing, and optimizing cross-border transactions to refine global tax structures.

Ms. Jaina Mehulbhai Mehta, aged 36 years, is the Non-Executive Independent Director of our Company. She has completed her Master of Engineering in Aerospace Engineering from Cornell University of New York in the year 2011, Bachelors in Technology in Instrumentation & Control Engineering from Nirma University, Ahmadabad, India in the year 2009. She has around 8 years of experience as a lecturer, school of engineering and applied science, at Ahmedabad University.

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

- None of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013, except for that:
    - Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal are related to each other as Brothers.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

- None of the Promoters or Directors has been or is involved as a promoters or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on July 17, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, with or without security, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 20,000.00 Lakhs.

REMUNERATION OF OUR DIRECTORS

The compensation package payable to our Managing Director and Wholetime Director w.e.f. July 17, 2024 as resolved in the Extra-Ordinary General Meeting held on July 17, 2024 is stated hereunder:

Mr. Bharat Jayantilal Pandya

Particulars	Terms of remuneration
Salary	A sum of up to ₹ 60,00,000/- per annum.
Perquisites:	1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income- tax Act, 1961. 2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. 3. Encashment of leave at the end of the tenure. 4. Free use of Company's car with driver for Company's business and free telephone facility at residence.
Commission	Entitled to commission of 1 % of the net profits of our Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

Mr. Pandya Anilkumar Jayantilal

Particulars	Terms of remuneration
Salary	A sum of up to ₹ 60,00,000/- per annum.
Perquisites:	1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income- tax Act, 1961. 2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. 3. Encashment of leave at the end of the tenure. 4. Free use of Company's car with driver for Company's business and free telephone facility at residence.
Commission	Entitled to commission of 1 % of the net profits of our Company so that for any year of aggregate of salary, perquisites and commission shall not exceed the overall ceilings laid down under Section 197 of the Companies Act, 2013.

Mr. Piyush Maganlal Nathwani

Particulars	Terms of remuneration
Salary	A sum of up to ₹ 21,00,000/- per annum.
Perquisites:	1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income- tax Act, 1961. 2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. 3. Encashment of leave at the end of the tenure.

Particulars	Terms of remuneration
	4. Free use of Company's car with driver for Company's business and free telephone facility at residence.

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 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, for the time being in force). The Remuneration / Sitting Fees paid to the Directors during the last F.Y. 2023 - 24 is as follows:

(₹ in Lakhs)

Sr. No.	Name	Designation	Remuneration paid
1.	Mr. Bharat Jayantilal Pandya	Chairman & Managing Director	₹ 36.00
2.	Mr. Pandya Anilkumar Jayantilal	Whole Time Director	₹ 36.00
3.	Mr. Piyush Maganlal Nathwani	Whole Time Director	₹ 21.00

SITTING FEES

Pursuant to the Resolution passed by the Board of Directors of our Company on July 19, 2024, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 5,000 /- for attending every meeting of Board and ₹ 3,000 for attending every meeting of its committees thereof.

REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES OR ASSOCIATES

As on the date of this Draft Red Herring Prospectus, we do not have any subsidiaries or associates except M/s. Khambhat Environ Care Association, which is a Section 8 Company. Further, no amount of remuneration is paid or payable to our Directors by M/s. Khambhat Environ Care Association.

PAYMENT OF BENEFITS (NON-SALARY RELATED)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

None of the Directors are party to any bonus or profit-sharing plan of our Company.

SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our directors as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of the Director	Designation	No. of Equity Shares	% Of pre issue paid up capital	% Of post issue paid up capital
1.	Mr. Bharat Jayantilal Pandya	Chairman & Managing Director	62,31,375	48.95%	[●]
2.	Mr. Pandya Anilkumar Jayantilal	Whole Time Director	55,90,875	43.91%	[●]

INTEREST OF OUR DIRECTORS

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent and reimbursement of expenses payable to them and also to other non-Executive directors under our Articles of Association. Further, our directors may be deemed to be interested to the extent shareholding held by them, their relatives, the companies, firms and trusts, in which they are

interested as directors, members, partners, trustees, beneficiaries and promoter and in any dividend distribution which may be made by our Company in the future.

Our directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company.

Except mentioned in the Restated Financial Statements, no loans have been availed by our directors or the Key Managerial Personnel from our Company. Our directors' may also be deemed to be interested to the extent of guarantees given by them for secured loans availed by our Company.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

For the shareholding of our directors, please refer chapter titled "Our Management" on page 167 of this Draft Red Herring Prospectus.

Interest in the property of our Company

Except as stated in the heading titled "*Properties*" under the chapter titled "Our Business", beginning on page 131 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company.

Interest in Business of our Company

Except as stated in the chapter titled "*Our Business*" and "*Restated Financial Statements*" beginning on page 131 and 188 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Interest in promotion of our Company

Except for Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment / Change in designation	Reason for Change
1.	Mr. Bharat Jayantilal Pandya	May 01, 2024	Appointed as Chairman and Joint Managing Director
		July 15, 2024	Appointed as Chairman cum Managing Director in Board Meeting
		July 17, 2024	Re-appointment as Chairman cum Managing Director in Shareholders' Meeting
2.	Mr. Pandya Anilkumar Jayantilal	May 01, 2024	Appointed as Joint Managing Director
		July 15, 2024	Appointed as Whole Time Director in Board Meeting
		July 17, 2024	Appointment as Whole Time Director in Shareholders' Meeting
3.	Mr. Piyush Maganlal Nathwani	July 17, 2024	Re-appointment as Whole Time Director
4.	Ms. Anal Ruchir Desai	July 17, 2024	Appointment as Non-Executive Independent Director
5.	Mr. Utsav Milan Shah	July 17, 2024	Appointment as Non-Executive Independent Director
6.	Ms. Jaina Mehulbhai Mehta	July 17, 2024	Appointment as Non-Executive Independent Director

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has Six (6) Directors, 1 (One) as Chairman & Managing Director, 2 (Two) as Wholetime Director, and 3 (Three) as Non-Executive Independent Director. There are 2 (Two) Woman Director in our Board.

COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act: (i) Audit Committee, (ii) Stakeholders' Relationship Committee, and (iii) Nomination and Remuneration Committee.

Audit Committee

Our Board has constituted the Audit Committee vide Board Resolution dated July 19, 2024 which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Mr. Utsav Milan Shah	Non-Executive Independent Director	Chairman
Ms. Anal Ruchir Desai	Non-Executive Independent Director	Member
Mr. Bharat Jayantilal Pandya	Chairman & Managing Director	Member

The Company Secretary & Compliance Officer of our Company will act as the Secretary of the Committee.

The role of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

    (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

    (b) Changes, if any, in accounting policies and practices and reasons for the same;

    (c) Major accounting entries involving estimates based on the exercise of judgment by management;

    (d) Significant adjustments made in the financial statements arising out of audit findings;

    (e) Compliance with listing and other legal requirements relating to financial statements;

    (f) Disclosure of any related party transactions; g. Qualifications in the draft audit report;

(g) Qualifications in the draft audit report;

5. Reviewing with the management the half yearly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses/application of funds raised through an offer (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

10. Discussion with internal auditors any significant findings and follow up there on;

11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

14. To review the functioning of the Whistle Blower mechanism;

15. Approval of appointment of CFO (or the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

16. Approval or any subsequent modification of transactions of the company with related parties;

17. Scrutiny of inter-corporate loans and investments;

18. Valuation of undertakings or assets of the Company, whenever it is necessary;

19. Evaluation of internal financial controls and risk management systems;

20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Ind AS 24, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

i) To investigate any activity within its terms of reference.

ii) To seek information from any employee.
iii) To obtain outside legal or other professional advice.
iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

i) Management discussion and analysis of financial condition and results of operations;
ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
iv) Internal audit reports relating to internal control weaknesses; and
v) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations; and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meeting of Audit Committee and Relevant Quorum

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Stakeholders' Relationship Committee

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated July 19, 2024 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Ms. Anal Ruchir Desai	Non-Executive Independent Director	Chairman
Ms. Jaina Mehulbhai Mehta	Non-Executive Independent Director	Member
Mr. Pandya Anilkumar Jayantilal	Whole Time Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;

2. review of measures taken for effective exercise of voting rights by shareholders;

3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;

4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

6. approve, register, refuse to register transfer or transmission of shares and other securities;

7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

8. allotment and listing of shares;

9. authorise affixation of common seal of the Company;

10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

12. dematerialize or rematerialize the issued shares;

13. ensure proper and timely attendance and redressal of investor queries and grievances;

14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and

15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Meeting of Stakeholders' Relationship Committee and Relevant Quorum

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

Nomination and Remuneration Committee

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated July 19, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Ms. Anal Ruchir Desai	Non-Executive Independent Director	Chairman
Ms. Jaina Mehulbhai Mehta	Non-Executive Independent Director	Member
Mr. Utsav Milan Shah	Non-Executive Independent Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

    i) use the services of an external agencies, if required;
    ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    iii) consider the time commitments of the candidates.

3. formulation of criteria for evaluation of Independent Directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

7. recommend to the board, all remuneration, in whatever form, payable to senior management.

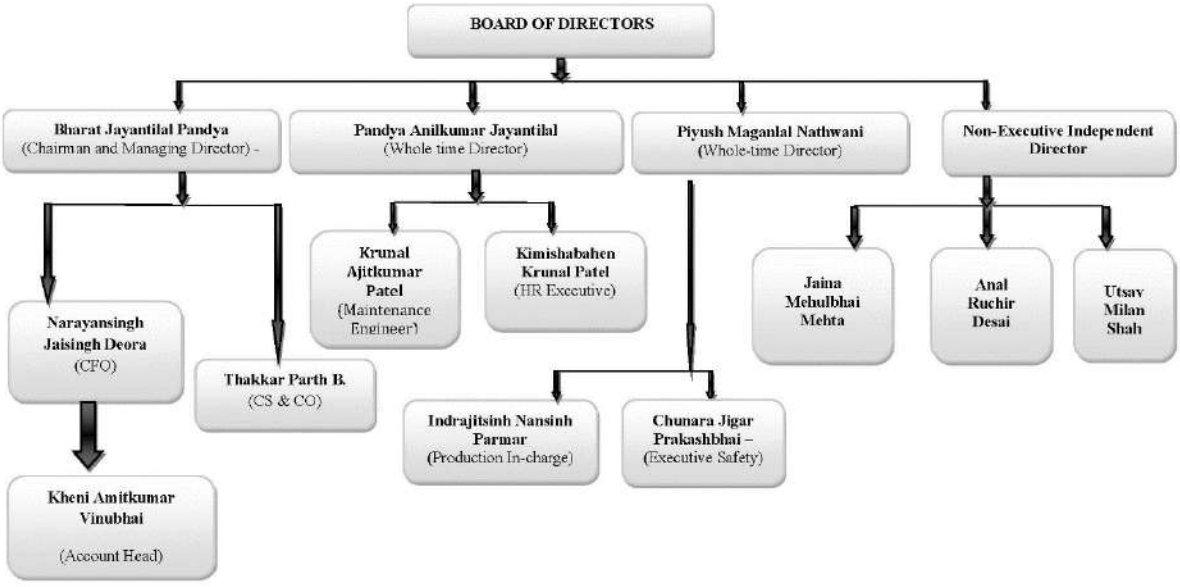
Meeting of Nomination and Remuneration Committee and Relevant Quorum

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchange. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

Key Managerial Personnel of our Company:

Mr. Bharat Jayantilal Pandya is the Promoter, Chairman & Managing Director of our Company, **Mr. Pandya Anilkumar Jayantilal** is the Promoter, Whole Time Director of our Company and **Mr. Piyush Maganlal Nathwani** is the Whole Time Director of our Company. For detailed profile, see para, "*Brief Profile of our Directors*" on page 167 of this Draft Red Herring Prospectus.

Mr. Narayansingh Jaisingh Deora, aged 69 years, is the Chief Financial Officer of our Company with effect from July 17, 2024. He has associated with our Company since 2022 as an advisor in finance and accounting. He is Chartered Accountant by qualification. He has an experience of over 37 years in Accounts Function. In his previous instinct, he has worked with M/s. Sayaji Industries Ltd., He is responsible for accounts and finance division of our company. He was paid ₹ 7.20 Lakhs in the Fiscal Year 2023-24.

Mr. Thakkar Parth B, aged 31 years, is the Company Secretary and Compliance Officer of our Company with effect from July 17, 2024. He has completed her Bachelor of Commerce from Gujarat University in the year 2013 and is an Associate

member of the Institute of Company Secretaries of India. He has an experience of over 5 years as Company Secretary and Compliance Officer. He is responsible for the Secretarial and Compliance division of our Company. Prior to joining our Company, he was associated with M/s. Promact Impex Limited. He was not paid any remuneration in the Fiscal Year 2023-24.

Senior Management Personnel of our Company:

In addition to the above, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Draft Red Herring Prospectus are set forth below:

Mr. Indrajitsinh Nansinh Parmar, aged 47 years, is the Production Incharge of our company. He has completed Bachelor of Science (Chemistry) from Gujarat University, in the year 2004. He has been associated with our company since March 2003. He has around more than 21 years of experience in our company. He looks after production, Planning and Product development. He was paid ₹ 9.41 Lakhs as salary in the Fiscal Year 2023-24.

Mr. Chunara Jigar Prakashbhai, aged 32 years, is the Executive Safety of our company. He has completed his Post Diploma in Industrial Safety from Technical Examination Board Gujarat state, Gandhinagar in the year 2022 and Bachelor of Engineering (Chemical) in the year 2017. He has around more than 5 years of experience in this field. He has been associated with our company since March 2023. He looks after factory safety and environment protection. He was paid ₹ 2.81 Lakhs as salary in the Fiscal Year 2023-24.

Mr. Krunal Ajitkumar Patel, aged 32 years, is the Maintenance Engineer of our company. He has completed his Bachelor of Technology in Mechanical Engineering from Rajasthan Technical University, Kota in the year 2016. He has around more than 7 years of experience in this field. He looks after maintaining and repairing activities of plant and machineries. He was paid ₹ 2.10 Lakhs as salary in the Fiscal Year 2023-24.

Mr. Kimishabahen Krunal Patel, aged 31 years, is the HR Executive of our company. She has completed her Masters in Commerce from Gujarat University, in the year 2016. She has been associated with our company since 2021. He has around more than 7 years of experience in this field. She looks after time keeping and human resources Activities in our Company. She was paid ₹ 3.38 Lakhs as salary in the Fiscal Year 2023-24.

Mr. Kheni Amitkumar Vinubhai, aged 32 years, is the Account Head of our company. He has completed his Bachelor of Commerce from Gujarat Collage of Commerce, in the year 2012. He has been associated with our company since 2020. He looks after Company accounting, auditing work and Banking work. He was paid ₹ 5.72 Lakhs as salary in the Fiscal Year 2023-24.

STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and senior management are permanent employees of our Company.

RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our directors are related to each other or to our Key Managerial Personnel and Senior Management. Except as mentioned below:

- Mr. Bharat Jayantilal Pandya and Mr. Pandya Anilkumar Jayantilal are related to each other as Brothers.

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

Except for the following, none of our KMPs or senior management hold any shares of our Company as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Director	Designation	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
1.	Mr. Bharat Jayantilal Pandya	Chairman & Managing Director	62,31,375	48.95%
2.	Mr. Pandya Anilkumar Jayantilal	Whole Time Director	55,90,875	43.91%

SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Management Personnel or Senior Management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Management may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or senior management have been selected as the Key Managerial Personnel or senior management of our Company.

BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

There is no profit-sharing plan for the Key Managerial Personnel or senior management. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to our Key Managerial Personnel and senior management, which form part of their remuneration.

EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

No non salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus are set forth below:

Name	Date of Appointment/ Change in designation	Reason for Change
Mr. Bharat Jayantilal Pandya	May 01, 2024	Appointed as Chairman and Joint Managing Director
	July 15, 2024	Appointed as Chairman cum Managing Director in Board Meeting
	July 17, 2024	Re-appointment as Chairman cum Managing Director in Shareholders' Meeting
Mr. Pandya Anilkumar Jayantilal	May 01, 2024	Appointed as Joint Managing Director
	July 15, 2024	Appointed as Whole Time Director in Board Meeting
	July 17, 2024	Appointment as Whole Time Director in Shareholders' Meeting
Mr. Piyush Maganlal Nathwani	July 17, 2024	Re-appointment as Whole Time Director
Mr. Narayansingh Jaisingh Deora	July 17, 2024	Appointed as Chief Financial Officer

Name	Date of Appointment/ Change in designation	Reason for Change
Mr. Thakkar Parth B	July 17, 2024	Appointed as Company Secretary & Compliance Officer
Mr. Krunal Ajitkumar Patel	January 16, 2024	Appointed as Maintenance Engineer
	June 30, 2023	Resigned as Maintenance Engineer
	October 01, 2022	Appointed as Maintenance Engineer

ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The attrition of Key Managerial Personnel and senior management is not high in our Company compared to the industry.

OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,18,22,250 Equity Shares, representing 92.86% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "*Capital Structure*" beginning on page 76 of this Draft Red Herring Prospectus.

The details of our Promoters are as under:

Mr. Bharat Jayantilal Pandya

Mr. Bharat Jayantilal Pandya, aged 62 years is one of the Promoters, Chairman and Managing Director of our Company.

Date of Birth: August 21, 1961

Nationality: Indian

PAN: ADAPP5237F

Residential Address: 5, Arya-1, Opp. State Bank of India, Panjarapole Char Rasta, Nr. Goyal Tower, Ahmadabad City, Manekbag, Ahmedabad-380015, Gujarat, India.

For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page 167167 of this Draft Red Herring Prospectus.

Mr. Pandya Anilkumar Jayantilal

Mr. Pandya Anilkumar Jayantilal, aged 61 years is one of the Promoters and Whole Time Director of our Company.

Date of Birth: May 21, 1963

Nationality: Indian

PAN: AEVPP5659M

Residential Address: 603 Ambience Tower, Near Tulip Bunglow, Vastrapur, Bodakdev, , Ahmedabad City, Ahmedabad – 380054, Gujarat, India.

For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page 167 of this Draft Red Herring Prospectus.

DECLARATION

1. We confirm that the Permanent Account Number, Bank Account number, Passport number, Driving License number Aadhaar Card number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with the Stock Exchange.

2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.

3. Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in "*Promoter Group*" and "*Our Management*" on pages 182 and 167 respectively, our Promoters are not involved in any other venture.

CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any change in the management and/or control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter *"Our Management"* beginning on page 167 of this Draft Red Herring Prospectus.

INTEREST OF OUR PROMOTERS

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled "*Capital Structure*", "*Restated Financial Statements*" and "*Our Management*" beginning on pages 76, 188188 and 167 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled *"Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus.

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled *"Capital Structure"* on page 76 of this Draft Red Herring Prospectus.

Except as stated in the heading titled "*Properties*" under the chapter titled "*Our Business*" and "*Restated Financial Statements*" beginning on page 131 and 188 respectively, of this Draft Red Herring Prospectus, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus.

Further, other than as mentioned in the chapter titled "*Our Business*" beginning on page 131 of this Draft Red Herring Prospectus Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction

with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoter' compensation and other details please refer to the chapter titled *"Our Management"* on page 167 of this Draft Red Herring Prospectus.

Except as mentioned in this chapter and chapters titled "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and "*Restated Financial Statements*" beginning on pages 131, 163, 167 and 188, respectively, our Promoters do not have any other interest in our Company.

COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed above, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

BUSINESS INTERESTS

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

MATERIAL GUARANTEES

Except as stated in the chapter titled "*History and Certain Corporate Matters*" and "*Restated Financial Statements*" beginning on pages 163 and 188 of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Further, the residential properties of our Promoters have been provided as collateral security and our promoters have also given personal guarantee for the borrowings availed by our Company. For further details, please see chapter titled "*Financial Indebtedness*" beginning on pages 243 of this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of the Relative	Relationship with the Promoter
Mr. Bharat Jayantilal Pandya	Late Jayantilal Harijivandas Pandya	Father
	Late Hansaben Pandya	Mother
	Ms. Alpa Bharat Pandya	Spouse
	Mr. Pandya Anilkumar Jayantilal	Brother
	Ms. Devyani Harish Joshi	Sisters
	Ms. H S Raval	
	Ms. Bhatt Meena Jitendra	
	Mr. Paritosh Bharatbhai Pandya	Son
	Ms. Vama Bharatbhai Pandya	Daughters
	Ms. Parita Bharatbhai Pandya	
	Mr. Joshi Navnitrai B	Spouse's Father
	Late Udaylataben Joshi	Spouse's Mother
	-	Spouse's Brother
	Late Jeeta Pradeep Jani	Spouse's Sister
	Ms. Kirti Dineshkumar Dave	
	Ms. Charulata Rajendra Yajnik	
	Ms. Arti V Mehta	
Mr. Pandya Anilkumar Jayantilal	Late Jayantilal Harijivandas Pandya	Father
	Late Hansaben Pandya	Mother
	Ms. Shailaja Anil Pandya	Spouse
	Mr. Bharat Jayantilal Pandya	Brother
	Ms. Devyani Harish Joshi	Sisters
	Ms. H S Raval	
	Ms. Bhatt Meena Jitendra	
	Mr. Pandya Shail Anil	Son
	Ms. Pandya Rucha Anil	Daughter
	Late Madhubhai Shukla	Spouse's Father
	Late Niranjanaben Madhusudanbhai Shukla	Spouse's Mother
	Mr. Bhavin M Shukla	Spouse's Brother
	-	Spouse's Sister

B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity/Company
1.	M/s Bharat Jayantilal Pandya (HUF)
2.	M/s Anilkumar Jayantilal Pandya (HUF)
3.	M/s. Technichem Speciality Finechem Private Limited
4.	M/s. OM Enterprise (Partnership Firm of Mr. Bhavin M Shukla)
5.	M/s. Khambhat Environ Care Association

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled "*Capital Structure*" beginning on page 76 of this Draft Red Herring Prospectus.

COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

OUTSTANDING LITIGATIONS

There is no other outstanding litigation against our Promoters except as disclosed in the section titled "*Risk Factors*" and chapter titled "*Outstanding Litigations and Material Developments*" beginning on pages 30 and 255 respectively of this Draft Red Herring Prospectus.

OUR GROUP COMPANY

The definition of *'Group Companies'* as per the SEBI ICDR Regulations, shall include such companies (other than promoters(s), holding Company and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated July 19, 2024 our Group Companies includes:

(a) Those companies disclosed as related parties in accordance with Accounting Standard ("AS 18") issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.

(b) All such companies which are deemed to be material by the Board of Directors. Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/ modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

For details of risks in relation to our capability to pay dividend, see Risk Factors – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid any dividend on the Equity Shares for the Fiscals 2024, 2023, 2022, and until the date of this Draft Red Herring Prospectus.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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Mundra & Co.
Chartered Accountants
513, Apex Mall, 4th Floor, Lal Kothi, Tonk Road, Jaipur-302018
canitinjpr@gmail.com +91-8239487569

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON

RESTATED FINANCIAL INFORMATION

To,
The Board of Directors of
TECHNICHEM ORGANICS LIMITED
5th Floor, Malak Complex, Behind Old Gujarat High Court,
Navrangpura - 380009, Ahmedabad, Gujarat, India.

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Technichem Organics Limited**

1. We have examined the attached Restated Financial Information of **Technichem Organics Limited** (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the year ended March 31, 2024, March 31, 2023, and March 31, 2022, the statement of Significant Accounting Policies and other explanatory Information (collectively, the "**Restated Financial Information"**) as approved by the Board of Directors in their meeting held on July 19, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("SEBI ICDR Regulations"); and
   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022 on the basis of preparation stated in note IV to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, SEBI (ICDR) Regulations and the Guidance Note.

3. We, M/s. Mundra & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer review certificate is valid as on the date of signing of this report.

4. We have examined such Restated Financial Statement taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 28, 2024 in connection with the proposed IPO of equity shares of the Company;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and

   d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

5. This Restated Financial Statements have been compiled by the management from:

   Audited financial statements of the company as at and for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors.

6. For the purpose of our examination, we have relied on:

   Auditors' Report issued by the Auditor M/s Devpura Navlakha & Co. dated 14th May, 2024, 01st Sept 2023 and 09th August, 2022 for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

   a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended 31 March 2024;

   b) have been prepared after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;

   c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
   d) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note;

   e) does not contain any qualifications requiring adjustments.

8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, SEBI ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   a) The "**Restated Statement of Assets and Liabilities**" as set out in Annexure I to this report, of the Company as at March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

   b) The "**Restated Statement of Profit and Loss**" as set out in Annexure II to this report, of the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

   c) The "**Restated Statement of Cash Flow**" as set out in Annexure III to this report, of the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial year ended March 31, 2024, March 31, 2023, and March 31, 2022 proposed to be included in the Offer Document for the proposed IPO.

Significant Accounting Policy and Notes to The Restated Financial Statements	Annexure IV
Material Adjustment to the Restated Financial	Annexure V
Restated Statement of Share Capital, Reserves and Surplus	Annexure-A
Restated Statement of Long Term and Short - Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of long-term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities and short-term Provisions	Annexure-F
Restated Statement of Property, Plant and Equipment and Intangible Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans and Advances	Annexure-I
Restated Statement of Current Investment	Annexure-J
Restated Statement of Inventory	Annexure-K
Restated Statement of Trade Receivables	Annexure-L
Restated Statement of Cash & Cash Equivalents	Annexure-M
Restated Statement of Short-Term Loans and Advances	Annexure-N

Restated Statement of Other Current Assets	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Non- Operating Income	Annexure-Q
Restated Statement of Cost of Material Consumed and Purchases of Stock in Trade	Annexure-R
Restated Statement of Change in Inventories	Annexure-S
Restated Statement of Employee Benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Contingent Liabilities	Annexure-AB
Restated Statement of Other Financial Ratio	Annexure-AC
Restated Statement of Other Notes	Annexure-AD

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned above.

13. In our opinion, the above Financial Statements along with Annexure A to AC of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV and V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations and Guidance Note issued by ICAI.

14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For Mundra & Co.
Chartered Accountant
FRN: 013023C

(CA Nitin Khandelwal)
Partner
M. No. 414387
Place: Jaipur
Date: July 19, 2024
UDIN: 24414387BKESAE4540

TECHNICHEM ORGANICS LIMITED
CIN: U24231GJ1996PLC028917

Annexure I

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs)

PARTICULARS	Annexure No	As at the year ended 31/03/2024	31/03/2023	31/03/2022
A) EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	A	254.63	254.63	254.63
(b) Reserves & Surplus		1,707.42	1,234.74	1,061.81
		1,962.04	**1,489.36**	**1,316.43**
2. Non Current Liabilities				
(a) Long Term Borrowings	B, B(A) and B(B)	1,282.98	1,054.06	838.80
(b) Deferred Tax Liabilities (Net)	C	137.81	135.61	87.56
(c) Long Term Provisions	D	-	-	20.45
		1,420.78	**1,189.67**	**946.81**
3. Current Liabilities				
(a) Short Term Borrowings	B, B(A) and B(B)	480.96	508.09	178.46
(b) Trade Payables	E			
(i) total outstanding dues of micro enterprises and small enterprises; and		166.17	302.96	533.38
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		823.29	611.00	1,094.25
(c) Other Current Liabilities	F	245.60	320.28	312.11
(d) Short Term Provisions		148.48	3.26	35.12
		1,864.49	**1,745.60**	**2,153.31**
Total		**5,247.32**	**4,424.63**	**4,416.55**
B) ASSETS				
1. Non Current Assets				
(a) Property, Plant & Equipment and Intangible Assets				
i) Tangible Assets				
(i) Gross Block		3,931.88	3,785.01	2,803.11
(ii) Depreciation		844.65	675.01	534.30
(iii) Net Block		3,087.23	3,110.00	2,268.81
			-	-
ii) Intangible Assets	G		-	-
(i) Gross Block				-
(ii) Depreciation				-
(iii) Net Block		-	-	-
			-	-
iii) Capital Work in Progress		59.57	0.00	115.75
		3,146.80	**3,110.00**	**2,384.56**
(b) Non-Current Investment	H	5.00	5.00	5.00
(c) Deferred Tax Assets (Net)	C			
(d) Long Term Loans and Advances	I	123.23	120.07	118.61
		128.23	**125.07**	**123.61**
2. Current Assets				
(a) Current Investment	J	-	-	-
(b) Inventories	K	660.26	605.37	551.67
(c) Trade Receivables	L	925.27	327.70	820.59
(d) Cash and Cash equivalents	M	129.43	35.59	106.60
(e) Short-Term Loans and Advances	N	224.78	205.57	426.54
(f) Other Current Assets	O	32.53	15.33	2.98
		1,972.28	**1,189.57**	**1,908.39**
Total		**5,247.32**	**4,424.63**	**4,416.56**

The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure-IV & V

As per our report of even date
For Mundra & Co.
Chartered Accountants
FRN: 013023C

For and on Behalf of the Board

Bharat Jayantilal Pandya
DIN: 00921775
Chairman & Managing Director

Anil Jayantilal Pandya
DIN: 00921815
Executive Director

(CA Nitin Khandelwal)
M. No. 414387
Partner
Date: July 19, 2024
Place: Jaipur
UDIN: 24414387BKESAE4540

Narayansingh Jaisingh Deora
Chief Financial Officer

Parth Bharatbhai Thal
Company Secretary

TECHNICHEM ORGANICS LIMITED
CIN: U24231GJ1996PLC028917

Annexure II

RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

	PARTICULARS		For the year ended on 31/03/2024	31/03/2023	31/03/2022
1	Revenue From Operation	P	4,639.11	5,035.79	6,702.06
2	Other Income	Q	57.72	66.18	76.57
3	**Total Income (1+2)**		**4,696.84**	**5,101.97**	**6,778.63**
4	Expenditure				
(a)	Cost of Goods Sold	R	3,190.70	4,073.55	5,568.45
(b)	Purchases of Stock in Trade		-	-	-
(c)	Changes in inventories of finished goods.	S	(138.37)	(144.63)	(17.14)
(d)	Employee Benefit Expenses	T	278.17	289.54	194.41
(e)	Finance Cost	U	196.37	122.82	54.39
(f)	Depreciation and Amortisation Expenses	V	169.65	140.71	105.18
(g)	Other Expenses	W	355.73	381.55	408.51
5	**Total Expenditure 4(a) to 4(g)**		**4,052.25**	**4,863.54**	**6,313.80**
6	**Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5)**		**644.59**	**238.43**	**464.83**
7	Exceptional item		-	-	-
8	**Profit/(Loss) Before Tax (6-7)**		**644.59**	**238.43**	**464.83**
9	Tax Expense:				
(a)	Tax Expense for Current Year	AA	169.71	17.45	98.13
(b)	Deferred Tax		2.20	48.05	24.64
	Net Current Tax Expenses		**171.91**	**65.50**	**122.77**
10	**Profit/(Loss) for the Year (8-9)**		**472.68**	**172.93**	**342.06**
11	**Earning Per share(Face value of Rs. 10)**				
	Basic		3.71	1.36	2.98
	Diluted		3.71	1.36	2.98

The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure-IV & V

As per our report of even date

For and on Behalf of the Board

For Mundra & Co.
Chartered Accountants
FRN: 013023C

Bharat Jayantilal Pandya
DIN: 00921775
Chairman & Managing Director

Anil Jayantilal Pandya
DIN: 00921815
Executive Director

(CA Nitin Khandelwal)
M. No. 414387
Date: July 19, 2024
Place: Jaipur
UDIN: 24414387BKESAE4540

Narayansingh Jaisingh Deora
Chief Financial Officer

Parth Bharatbhai Thakkar
Company Secretary

TECHNICHEM ORGANICS LIMITED
CIN: U24231GJ1996PLC028917

Annexure III

RESTATED CASH FLOW STATEMENT

(Amount in Rs. Lakhs)

PARTICULARS		For the year ended on 31/03/2024	31/03/2023	31/03/2022
A) Cash Flow From Operating Activities :				
Net Profit before tax		644.59	238.43	464.83
Adjustment for :				
Depreciation		169.65	140.71	105.18
Interest Paid		183.41	111.49	40.29
Provision of Gratuity		-	(20.45)	-
Interest Income		(23.14)	(28.23)	(40.90)
Profit/(Loss) on sale of Investment		-	-	-
Operating profit before working capital changes		**974.50**	**441.95**	**569.41**
Changes in Working Capital				
(Increase)/Decrease in Inventory		(54.89)	(53.70)	(124.20)
(Increase)/Decrease in Trade Receivables		(597.58)	492.90	(401.74)
(Increase)/Decrease in Short Term Loans & Advances and Provisions		(19.21)	220.97	(173.84)
(Increase)/Decrease in Other Current Assets		(17.20)	(12.35)	(2.98)
Increase/(Decrease) in Trade Payables		75.50	(713.67)	424.24
Increase/(Decrease) in Other Current Liabilities		(74.68)	8.18	(137.45)
Increase/(Decrease) in Short Term & Long Term Provisions		(1.73)	(4.27)	6.75
Cash generated from operations		**284.71**	**380.00**	**160.18**
Less:- Income Taxes paid		(22.77)	(45.04)	(73.83)
Net cash flow from operating activities	**A**	**261.94**	**334.97**	**86.34**
B) Cash Flow From Investing Activities :				
Purchase of Fixed Assets including of CWIP		(206.45)	(866.15)	(506.55)
Increase/(Decrease) in Long Term Loans and Advances		(3.16)	(1.46)	(53.36)
Interest Income		23.14	28.23	40.90
Net cash flow from investing activities	**B**	**(186.47)**	**(839.38)**	**(519.02)**
C) Cash Flow From Financing Activities :				
Proceeds from Issue of Share Capital		-	-	181.88
Increase/(Decrease) in Short Term Borrowings		(27.13)	329.63	(98.98)
Increase/(Decrease) in Long Term Borrowings		228.91	215.26	413.19
Interest Paid		(183.41)	(111.49)	(40.29)
Net cash flow from financing activities	**C**	**18.38**	**433.41**	**455.80**
Net Increase/(Decrease) In Cash & Cash Equivalents	**(A+B+C)**	**93.84**	**(71.01)**	**23.12**
Cash equivalents at the begining of the year		35.59	106.60	83.48
Cash equivalents at the end of the year		129.43	35.59	106.60

Notes :-		31/03/2024	31/03/2023	31/03/2022
1.	Component of Cash and Cash equivalents			
	Cash on hand	23.56	18.59	3.22
	Balance With banks	105.87	17.00	103.38
		129.43	**35.59**	**106.60**

2. Cash flows are reported using the indirect method,whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3. The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure-IV & V

As per our report of even date
For Mundra & Co.
Chartered Accountants
FRN: 013023C

For and on Behalf of the Board

Bharat Jayantilal Pandya
DIN: 00921775
Chairman & Managing Director

Anil Jayantilal Pandya
DIN: 00921815
Executive Director

(CA Nitin Khandelwal)
M. No. 414387
Date: July 19, 2024
Place: Jaipur
UDIN: 24414387BKESAE4540

Narayansingh Jaisingh Deora
Chief Financial Officer

Parth Bharatbhai Thakkar
Company Secretary

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS

A. Corporate information

Technichem Organics Limited was originally incorporated as a Private Limited Company under the name of "Technichem Organics Private Limited" on February 27, 1996 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on April 30, 2024, the Company was converted into a Public Limited Company and consequently the name of the Company was changed from "Technichem Organics Private Limited" to "Technichem Organics Limited" vide a fresh certificate of incorporation Consequent upon conversion to public company dated July 04, 2024, issued by the Registrar of Companies, Central Processing Centre, Manesar, Gurgaon and bearing CIN U24231GJ1996PLC028917.

The company is engaged in the manufacturing, trading and export of specialty intermediate and specialty chemicals.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The Restated Statement of Assets and Liabilities of the Company as on March 31, 2024, March 31, 2023, and March 31, 2022 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022 and the annexure thereto (collectively, the "**Restated Financial Statements**") have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s Section 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as such as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the results of operation during the reported period and disclosure of contingent liabilities as on the reporting date. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are in their best knowledge of current event and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the period in which the results are known or materialize. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, provisioning for taxation etc.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1. Revenue Recognition

a) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

b) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.

c) Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

2. Inventories

Inventories comprising of raw materials, work in progress and finished goods are valued at lower of cost or net realizable value. Cost here represents landed cost including custom duty in case of imports and is net of duty which is cenvatable or refundable. Cost of inventories is determined on FIFO basis. Net realizable value is the estimate of the selling price in the ordinary course of business less further cost expected to be incurred for its completion and disposal. The work in progress and finished goods cost includes raw material cost, variable cost and manufacturing overheads.

3. Foreign Currency Transaction:

a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

b) Short term monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the year end, are translated /re-converted at the year-end exchange rate unless covered by a forward contract.

c) Any gain or loss arising on settlement and / or translation of short-term monitory transaction in foreign currency is accounted for in the statement of Profit and Loss.

4. Employee Benefits

- Defined Benefit Plans

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

5. Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

a) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

b) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

7. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

8. Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of a property, plant and equipment comprises its purchase price, any costs directly attributable to bringing the property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Company provides depreciation on items of property, plant and equipment on Straight Line Method (SLM) based on useful life specified as below:

Asset	**Useful Life (in years)**
Building	30
Plant & Machinery	15
Furniture & Fixtures	10
Motor Vehicle	10
Electric Installation	10
Laboratory	10
Office Equipment	5
Computer & Accessories (including Server)	3

Depreciation amount for asset is the cost of an asset less its estimated residual value. In case of impairment, depreciation is provided on revised carrying amount over its remaining useful life.

9. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company, or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

d) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

10. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

11. Segment Accounting

Business Segment

a) The business segment has been considered as the primary segment.
b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
c) The Company's primary business includes manufacturing, trading and export of specialty intermediate and specialty chemicals. This is the only segment as envisaged in Accounting Standard 17: 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

12. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years**.**

2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.

3. Value of Imports:

(Amount in Rs. Lakhs)

Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
CIF Value of Import of Raw Material	515.39	612.56	837.29

4. Earnings in Foreign Currency:

(Amount in Rs. Lakhs)

Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
FOB value of Finished Goods Export	1769.45	2003.46	2911.99

5. Geographical Information

- **Revenue**

(Amount in Rs. Lakhs)

Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
India	2,869.66	3,032.33	3,790.07
Outside India	1,769.45	2,003.46	2,911.99

- **Non-Current Assets**
  All the non-current assets of the Company are situated within India.

6. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:

(Amount in Rs. Lakhs)

Particulars	**31/03/2024**	**31/03/2023**	**31/03/2022**
1. The amounts recognized in the Balance Sheet are as follows:			
Defined benefit obligation as at the end of the period	29.36	26.24	23.88
Fair Value of Plan Assets at the end of the period	29.91	23.98	0.00
Net Liability/(Asset)	-0.55	2.26	23.88
2. The amounts recognized in the Profit & Loss A/c are as follows:			
Current Service Cost	3.16	2.85	2.36
Interest on Defined Benefit Obligation	1.94	1.65	1.36
Expected Return on Plan Assets	-1.77	0.00	0.00
Net actuarial losses (gains) recognised in the period	-2.33	-2.40	-0.58
Total, Included in "Salaries, Allowances & Welfare"	**1.00**	**2.10**	**3.14**
3. Changes in the present value of defined benefit obligation:			
Defined benefit obligation as at the beginning of the period	26.24	23.88	20.73
Service cost	3.16	2.85	2.36
Interest cost	1.94	1.65	1.36
Expected Return on Plan Assets	0.00	0.00	0.00
Net actuarial losses (gains) recognised in the period	-1.98	-1.49	-0.58
Benefit paid by the Company/Fund	0.00	-0.65	0.00
Defined benefit obligation as at the end of the period	**29.36**	**26.24**	**23.88**
4. Changes in the Fair Value of Plan Assets:			
Fair Value of Plan Assets at the beginning of the period	23.98	0.00	0.00
Contributions by the Employer	3.80	23.71	0.00
Expected Return on Plan Assets	1.77	0.00	0.00
Net actuarial (losses) gains recognised in the period	0.36	0.91	0.00
Benefit paid by the Fund	0.00	-0.65	0.00
Fair Value of Plan Assets at the end of the period	**29.91**	**23.98**	**0.00**
Benefit Description:			
Benefit type:	**Gratuity Valuation as per Act**		
Funding Status	Funded	Funded	Unfunded
Retirement Age:	**58 years**	**58 years**	**58 years**
Vesting Period:	**5 years**	**5 years**	**5 years**
The principal actuarial assumptions for the above are:			
Future Salary Rise:	**7.00% p.a.**	**7.00% p.a.**	**7.00% p.a.**
Discount rate per annum:	**7.21% p.a.**	**7.39% p.a.**	**6.90% p.a.**
Attrition Rate:	10% Per Annum		
Mortality Rate:	**IALM 2012-14 Urban**		

7. **Provisions, Contingent Liabilities and Contingent Assets (AS 29)**
   Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

8. **Related Party Disclosure (AS 18)**
   Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

9. **Accounting For Taxes on Income (AS 22)**

   Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year is reported as under:

(Amount in Rs. Lakhs)

Particulars	As at		
	31-03-2024	31-03-2023	31-03-2022
Major Components of deferred tax arising on account of timing differences are:			
Difference in WDV of Fixed Assets as per Income Tax Act & Companies Act due to Depreciation	660.13	518.48	368.21
Timing Difference due to Provision for Gratuity	-	20.30	(20.30)
Timing Difference due to Disallowance of expenses u/s 43B(h) of the Income Tax Act	(112.59)	0.02	-
Total Timing Difference (Net)	(547.54)	(538.80)	347.91
Cumulative Balance of Deferred Tax Liability (Net)	137.81	135.61	87.56
Opening Deferred Tax Liability	135.61	87.56	62.92
Debited to Restated Statement of Profit and Loss Account	2.20	48.05	24.64

10. **Earnings Per Share (AS 20):**
    Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

11. **Contractual liabilities**

    All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. **Amounts in the financial statements**

    Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

13. **Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements:

Financial Year	Audit Qualifications	Remark
FY 2021-22	NIL	Not Applicable
FY 2022-23	NIL	Not Applicable
FY 2023-24	NIL	Not Applicable

b) Qualification which does not require adjustment in restated financial statements:

Financial Year	Audit Qualifications	Management Reply
FY 2021-22	NIL	Not Applicable
FY 2022-23	NIL	Not Applicable
FY 2023-24	NIL	Not Applicable

ANNEXURE-V

MATERIAL ADJUSTMENTS [AS PER THE ICDR REGULATION]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

Statement of adjustments in the Financial Statements

Statement of Reserve and Surplus

(Amount in Rs. Lakhs)

Particulars	2023-24	2022-23	2021-22
Reserves and Surplus as per audited accounts but before adjustments for restated accounts	**1,515.64**	**1,077.44**	**899.75**
Add: Cumulative Adjustment made in Statement of Profit and Loss Account during the restated period	17.54	(16.94)	(12.18)
Add: Adjustment to the Opening Reserves as on 01-04-2021	13.87	13.87	13.87
Total Net Adjustment in Profit and Loss Account	**31.41**	**(3.06)**	**1.70**
Reserves and Surplus as per Restated Accounts	**1,547.05**	**1,074.38**	**901.45**

Statement of Profit and Loss after Tax

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented in below Table. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

(Amount in Rs. Lakhs)

Particulars	2023-24	2022-23	2021-22
Net profit after tax as per audited accounts but before adjustments for restated accounts:	438.20	177.69	354.24
Excess provision for gratuity as per AS -15(revised)	3.69	1.78	20.73
Short/(excess) provision for deferred tax assets	30.42	1.62	(5.22)
(Short)/excess provision for income tax	(9.67)	(1.20)	1.59
Year-end foreign exchange translation gain/(loss)	6.57	(6.39)	3.53
Prior period expenses restated	2.78	(0.57)	(32.80)
Short booking of interest income on deposits	0.68	-	-
Net adjustment in profit and loss account	**34.47**	**(4.76)**	**(12.18)**
Net Profit after tax as per restated accounts	**472.68**	**172.93**	**342.06**

a) Adjustment of Gratuity Expenses

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) "Employee Benefits" and accordingly booked Gratuity expenses basis of actuarial valuation report.

b) Adjustment on account of Provision of Deferred Tax Assets:

Due to Provision for Gratuity (Employee benefits) and disallowance u/s 43B(h) of the Income Tax Act 1961 which are temporary timing differences, during the period of restatement, the Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

c) Provision of Income Tax (Current/Prior Period):

During the restatement, the Income tax provision was recalculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of revised income tax provision has been made in the Restated Statement of Profit and Loss account. Short/(Excess) provision has adjusted in respective year/period. For More details, refer Annexure AA enclosed with the Restated Financial Statement.

d) Adjustment on account of Year-end foreign exchange gain/(loss)

During the restatement, the Company has observed that it has not booked the effects of change in foreign exchange rates at year end as per AS-11. Therefore, during the restatement, the same was calculated and necessary effect given in the restatement.

e) Accounting of Prior Period Expenses:

During the restatement, expenses booking has been reconsidered based on the year to which such expenses is pertaining to and accordingly all prior period expenses has been charged to Restated Statement of Profit and Loss account of respective years. It includes Legal & Professional Fees, Tax demands of prior periods, Unclaimed/Ineligible TDS, TCS & GST written off, Excess provisions of earlier year written off, etc.

f) Accounting of Interest Income:

During the restatement, the company has under booked the Interest income on deposits given by the company. The same has been booked in the Restated Statement of Profit and Loss.

ANNEXURE – A

RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Share Capital			
Authorised Share Capital			
No of Equity shares of Rs.10 each(P.Y.10 each)	3,000,000	3,000,000	3,000,000
Equity Share Capital	300.00	300.00	300.00
Issued, Subscribed and Paid up Share Capital			
No of Equity Shares of Rs. 10/- each (P.Y. 10/-) fully paid up	2,546,250	2,546,250	2,546,250
Equity Share Capital	254.63	254.63	254.63
Total	**254.63**	**254.63**	**254.63**

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- as at 31st March, 2024.

ii. Each holder of equity shares is entitled to one vote per share.

iii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

iv. Pursuant to Shareholders' resolution dated April 12, 2024, the Increase in the authorized share capital of the Company from ₹300.00 Lakhs divided into 30,00,000 Equity Shares of ₹ 10/- each to ₹1800.00 Lakhs divided into 1,80,00,000 Equity Shares of ₹ 10/- each ranking pari-passu with the existing share capital.

2. The reconciliation of the number of Equity shares outstanding as at: -

Particulars	31/03/2024	31/03/2023	31/03/2022
Number of shares (Face value Rs 10) at the beginning	2,546,250	2,546,250	727,500
Add: Rights Shares issued in the ratio of 5:2	-	-	1,818,750
Number of shares (Face value Rs 10) at the end of year	**2,546,250**	**2,546,250**	**2,546,250**

3. The detail of shareholders holding more than 5% of Total Equity Shares: -

Name of Shareholders	31/03/2024	31/03/2023	31/03/2022
Bharat Jayantilal Pandya	1,290,275	1,290,275	1,290,275
Anil Jayantilal Pandya	1,161,825	1,161,825	1,161,825

4. Shares held by promoters at the end of the respective year is as under

4a) Shares held by promoters as at March 31, 2024

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bharat Jayantilal Pandya	1,290,275	50.67%	0.00%
Anil Jayantilal Pandya	1,161,825	45.63%	0.00%
Total	**2,452,100**	**96.30%**	

4b) Shares held by promoters as at March 31, 2023

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bharat Jayantilal Pandya	1,290,275	50.67%	0.00%
Anil Jayantilal Pandya	1,161,825	45.63%	0.00%
Total	**2,452,100**	**96.30%**	

4c) Shares held by promoters as at March 31, 2022

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bharat Jayantilal Pandya	1,290,275	50.67%	0.00%
Anil Jayantilal Pandya	1,161,825	45.63%	0.00%
Total	**2,452,100**	**96.30%**	

Reserves and Surplus

a) Share Premium Reserves			
Opening Balance	47.25	47.25	47.25
Addition during the year	-	-	-
Reduction during the year	-	-	-
Closing Balance	**47.25**	**47.25**	**47.25**
b) Capital Reserves			
Opening Balance	113.11	113.11	113.11
Addition during the year	-	-	-
Reduction during the year	-	-	-
Closing Balance	**113.11**	**113.11**	**113.11**
c) Surplus in Profit and Loss account			
Opening Balance	1,074.38	901.45	559.39
Profit for the Year	472.68	172.93	342.06
Less: Issue of Bonus Share	-	-	-
Closing Balance	**1,547.06**	**1,074.38**	**901.45**
Total (a+b+c)	**1,707.42**	**1,234.74**	**1,061.81**

5.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

6. Company does not have any Revaluation Reserve.

ANNEXURE – B

RESTATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amount in Rs. Lakhs)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Long Term Borrowings			
(Secured)			
(a) Term loans			
From Bank & Financial Institutions	546.40	585.00	375.98
From Others	-	-	-
Sub-total	**546.40**	**585.00**	**375.98**
(Unsecured)			
(b) Term loans			
From Bank & Financial Institutions	736.58	469.06	462.82
From Others	-	-	-
Sub-total (b)	736.58	469.06	462.82
(c) Loans and advances from related parties & shareholders (Unsecured)			
From Shareholder	-	-	-
Sub-total (c)	**-**	**-**	**-**
(d) Loans and advances from others (Unsecured)			
Inter-Corporate Borrowings	-	-	-
Sub-total (d)	**-**	**-**	**-**
Total	**1,282.98**	**1,054.06**	**838.80**
Short Term Borrowings			
Secured			
(a) Term loans			
From Bank & Financial Institutions	-	-	-
Current Maturities of Long Term Debt	138.60	110.00	40.00
Sub total (a)	**138.60**	**110.00**	**40.00**
Unsecured			
From Bank & Financial Institutions	-	-	-
Current Maturities of Long Term Debt	342.36	398.09	138.46
Sub total (b)	**342.36**	**398.09**	**138.46**
Total (a+b)	**480.96**	**508.09**	**178.46**

Note :

1. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
2. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

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

Name of Lender	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of interest per annum	Prime Securities offered	Re-Payment Schedule			Outstanding amount as on (as per Books) (Rs. In Lakhs)		
					No of EMI (in Months)	EMI Amount (Rs. In Lakhs)	Moratorium	31/03/2024	31/03/2023	31/03/2022
Small Industries Development Bank of India-D00039GA	Expansion of Manufacturing Facility	745.00	8.80%	Hypothecation of Immovable Property and movable assets, Plant & Machinery	72	Rs. 10.00 Lakh Principle + Interest	12 Months	585.00	695.00	415.98
Small Industries Development Bank of India-D0007XN4	Business Expenses, CAPEX	100.00	8.20%	Hypothecation of Immovable Property and movable assets, Plant & Machinery	54	Rs. 1.86 Lakh Principle + Interest	6 Months	100.00	-	-
Total								**685.00**	**695.00**	**415.98**

Note:

Collateral Security for the Term loan granted by SIDBI is as under:

(i) First charge by way of Hypothecation in favour of SIDBI of all borrower's movables, including movables, plant, machinery, machinery spares, tools & accessories, Office equipments, computers, furnitutes and fixtures, MFA, etc. acquired/ to be acquired under the project/scheme.

(ii) First charge by way of mortgage in favour of SIDBI of all that piece and parcel of Borrower's industrial use non-agricultural land bearing block/survey no. 347 paiki, admeasuring 19,200 Sq.Mtrs, situated lying and being at village-lunej, Taluka-Khambhat, Registration district-Anand and sub district-Khambhat together with factory shed, building and structure thereon present & future.

(iii) Lien marked on Term Deposit issued by SIDBI for an amount of Rs. 40 lakhs for principal amount together with interest accrued thereon.

(iv) Personal Guarantee of Bharat Jayantilal Pandya and Anil Jayantilal Pandya.

RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/NBFC/Banks/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest per annum	Re-Payment Schedule	Moratorium	EMI Amount (Rs. In Lakhs)	Outstanding amount as at (Amount in Rs. 31/03/2024	31/03/2023	31/03/2022
KOTAK BANK - KIA SELTOS LOAN NO. CF-18222297 (Note 1)	Purchase of Vehicle	8.28%	36 Months	-	0.41	-	-	5.78
KOTAK BANK - KIA SELTOS EXTENTION LOAN:CF20565589 (Note 1)	Vehicle Top-up Loan	17.60%	12 Months	-	1.63	-	6.29	-
PNB BANK - KIA LOAN NO: 212110NG00000327 (Note 1)	Purchase of Vehicle	6.85%	36 Months	-	0.56	6.48	12.54	18.19
KOTAK BANK - SKODA CAR LOAN CF20916127 (Note 1)	Purchase of Vehicle	8.38%	48 Months	-	0.91	25.37	33.81	-
POONAWALLA FINCORP LTD -LAS LAP0104100000011218342 (Note 2)	Business Loan	9.00%	192 Months	-	2.35	227.70	-	-
YES BANK LTD ARYA LAS NO: MOR000701626377 (Note 2)	Business Loan	9.75%	96 Months	-	1.96	123.55	-	-
YES BANK LTD ARYA LAS TOP UP NO: MOR000701645269 (Note 2)	Business Loan	12.00%	61 Months	-	0.60	24.62	-	-
SCBL HS LOAN AC NO:52257568 (Note 2)	Loan against Property	9.25%	120 Months	-	0.60	136.18	149.88	167.25
SCBL - LAP/HS TOP UP LOAN NO: 53267311 (Note 2)	Working Capital Term Loan	15.00%	36 Months	-	0.60	10.36	24.09	35.92
SCBL - ECLGC - LOAN NO:52477886 (Note 3)	Working Capital Term Loan	9.25%	48 Months	12 Months	0.64	3.13	10.17	16.58
SCBL ECLGC - NCGTC Loan No: 53291654 (Note 3)	Working Capital Term Loan	8.00%	60 Months	24 Months	1.17	34.52	37.30	37.30
ADITYA BIRLA FINANCE LTD BL NO:ABAHMBIL000000512931	Business Loan	17.55%	24 Months	-	1.65	-	10.87	30.61
AXIS BANK LTD BL NO: BPR000306557470	Business Loan	15.00%	24 Months	-	2.42	-	-	38.66
DEUTSCHE BANK BL NO: 350038967540028	Business Loan	17.00%	36 Months	-	1.78	-	30.39	44.60
AXIS BANK LTD BLNO.BPR000308079305	Business Loan	15.00%	12 Months	-	6.77	-	44.71	-
BAJAJ FINANCE LTD LOAN A/C NO:SME000003932227	Business Loan	16.00%	12 Months	-	3.22	-	6.27	-
BAJAJ FINANCE LTD - LOAN NO:P418PPS6853185	Business Loan	17.90%	24 Months	-	1.32	14.38	26.42	-
CHOLA MANDALAM I & F CO. BL NO: BLTLAHM000006244055	Business Loan	19.00%	36 Months	-	0.74	16.64	-	-
DEUTSCHE BANK BL NO: 350038967540037	Business Loan	17.00%	36 Months	-	1.78	38.55	-	-
FEDBANK FINANCIAL SERVICES LTD. FEDAHM0BL0506100	Business Loan	16.00%	12 Months	-	2.72	-	20.52	-
FULLERTON (I) CREDIT C. LTD-LOAN NO.218602411332356	Business Loan	15.50%	18 Months	-	3.76	21.60	60.12	-
GODREJ FINANCE LTD - BL NO: GFL3501BL0004008	Business Loan	18.00%	24 Months	-	1.22	15.36	-	-
HERO FINCORP LTD - BL NO. HCFAHMUBL00013152896	Business Loan	17.00%	36 Months	-	0.90	20.70	-	-
IDFC FIRST BANK LTD LOAN NO:73182033	Business Loan	15.00%	18 Months	-	3.18	-	24.08	-
KOTAK MAHINDRA BANK LTD BL NO: CSG-154153393	Business Loan	16.00%	24 Months	-	2.44	24.76	47.95	-
KOTAK MAHINDRA BANK LTD LOAN NO: CSG-153400001	Business Loan	15.22%	13 Months	-	2.93	-	8.58	-
LT FINANCE LTD -SME - BL221007040100287	Business Loan	15.50%	12 Months	-	3.15	-	20.94	-
MAS FINANCIAL SERVICES LTD	Business Loan	18.50%	24 Months	-	5.27	74.18	-	-
MONEYWISE FINANCIAL SERVICES PVT LTD BL NO:SMEWBR00SM000005122868	Working Capital Term Loan	17.50%	36 Months	-	1.81	38.85	-	-
NEOGROWTH CREDIT PRIVATE LIMITED	Business Loan	24.75%	30 Months	-	0.90	15.80	-	-
POONAWALLA FINCORP LTD LOAN NO:BLU0104BL_000005164243	Business Loan	16.00%	24 Months	-	1.47	2.89	18.71	-
PROTIUM FINANCE LTD NO: GS007BL01404130	Business Loan	18.53%	12 Months	-	3.22	-	24.04	-
SHRIRAM FINANCE LTD - BL NO. PDAHMBU2304300004	Business Loan	17.50%	36 Months	-	1.08	23.23	-	-
TATA CAPITAL F. LTD LOAN NO: TCFBL0272000011413510	Business Loan	15.50%	18 Months	-	3.13	-	23.65	-
UNITY SMALL FINANCE BL NO: USFBAHDLOAN000005007709	Business Loan	17.75%	24 Months	-	2.49	27.20	50.00	-
GUJARAT INDUSTRIAL INVESTMENT CORPORATION	Loan for purchase of Industria	12.00%	40 Quarters	8 Quarters	2.49	152.88	175.81	206.39
Total						**1,078.94**	**867.15**	**601.28**

ANNEXURE – C

RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Major Components of deferred tax arising on account of timing differences are:			
Timing Difference Due to Depreciation	(660.13)	(518.48)	(368.21)
Deferred Tax Assets/(Liabilities) (A)	(166.14)	(130.49)	(92.67)
Provision of Gratuity as at the year end	-	(20.30)	20.30
Total Timing Difference	112.59	(20.33)	20.30
Deferred Tax Assets/(Liabilities) (B)	28.34	(5.12)	5.11
Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)	**(137.81)**	**(135.61)**	**(87.56)**

ANNEXURE – D

RESTATED STATEMENT OF LONG TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Provision for Employee Benefits			
Grauity Provision - Long Term	-	-	20.45
Others	-	-	-
Total	**-**	**-**	**20.45**

ANNEXURE – E

RESTATED STATEMENT OF TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Trade Payables			
Micro, Small and Medium Enterprises	166.17	302.96	533.38
Others	823.29	611.00	1,094.25
Total	**989.46**	**913.96**	**1,627.63**
Trade Payable Includes Dues to Related Party	-	-	-

Notes:

1. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.

2. Ageing of the Supplier, alogwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of agewise supplier balance is given below after consiering from the date of transactions.

Trade Payables ageing schedule: As at March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	106.19	58.64	1.34	-	166.17
(ii) Others	782.29	41.00	-	-	823.29
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	236.83	64.47	1.28	0.38	302.96
(ii) Others	559.30	0.20	51.50	-	611.00
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at March 31, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	477.79	53.52	-	2.07	533.38
(ii) Others	1,084.79	0.53	-	8.93	1,094.25
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

ANNEXURE – F

RESTATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Other Current Liabilities			
Statutory Dues Payables	5.83	11.00	7.00
Advances Received from Customers	0.97	24.76	1.72
Salary & Wages Payable	28.80	21.75	13.01
Other Current Liabilities	210.00	262.78	290.38
Total	**245.60**	**320.28**	**312.11**
Short Term Provisions			
Provision for Employee Benefits	-	-	-
Provision for Gratuity	-	2.26	3.43
Other Provisions	0.97	0.44	3.54
Income tax Provisions net of Advance tax and TDS	147.51	0.57	28.15
Total	**148.48**	**3.26**	**35.12**

ANNEXURE – G

RESTATED STATEMENT OF FIXED ASSETS

FY 2021-22

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-Apr-21	Addition During the year	Deduction During the year	As on 31-Mar-22	As on 01-Apr-21	for the year	Deduction during the year	As on 31-Mar-22	As on 31-Mar-22	As on 31-Mar-21
						.		-		
Land	2.98			2.98			-		2.98	2.98
Land Development	3.03			3.03			-	-	3.03	3.03
Land Sakhya-CWIP	435.26	27.73		463.00				-	463.00	435.26
Factory Building	247.85	32.70		280.56	69.70	8.04	-	77.73	202.82	178.16
Borewell	0.71			0.71	0.68	-	-	0.68	0.04	0.04
Plant & Machinery	1,445.72	354.20		1,799.92	276.60	80.35	-	356.95	1,442.97	1,169.12
Laboratory Equipments	10.92	5.93		16.85	5.55	0.87	-	6.43	10.42	5.37
Electric Installatons	72.04	6.16		78.20	22.17	4.74	-	26.90	51.30	49.88
Vehicles	93.58	21.18		114.76	27.66	7.95	-	35.61	79.14	65.92
Office Equipments	12.13	2.37		14.50	10.09	1.18	-	11.27	3.23	2.04
Furniture & Fixtures	16.18	0.22		16.39	7.82	0.99	-	8.81	7.58	8.36
Computers	9.55	2.65		12.21	8.85	1.07	-	9.92	2.29	0.70
CWIP	62.34	115.75	62.34	115.75			-	-	115.75	62.34
TOTAL	**2,412.30**	**568.89**	**62.34**	**2,918.86**	**429.12**	**105.18**	**-**	**534.30**	**2,384.56**	**1,983.18**

FY 2022-23

Name of Assets	Gross Block				Depreciation and Amortization				Net Block	
	As on 01-Apr-22	Addition 0	Deduction 0	As on 31-Mar-23	As on 01-Apr-22	for the year	Deduction during the year	As on 31-Mar-23	As on 31-Mar-23	As on 31-Mar-22
Land	2.98	0.00	0.00	2.98	0.00	-	0.00	0.00	2.98	2.98
Land Development	3.03	0.00	0.00	3.03	0.00	-	0.00	0.00	3.03	3.03
Land Sakhya-CWIP	463.00	23.82	0.00	486.82	0.00	-	0.00	0.00	486.82	463.00
Factory Building	280.56	65.71		346.27	77.73	8.94	0.00	86.67	259.60	202.82
Borewell	0.71		0.00	0.71	0.68	-	0.00	0.68	0.04	0.04
Plant & Machinery	1,799.92	849.10		2,649.02	356.95	111.56	0.00	468.50	2,180.52	1,442.97
Laboratory Equipments	16.85	0.26	0.00	17.11	6.43	1.00	0.00	7.42	9.69	10.42
Electric Installatons	78.20	0.00	0.00	78.20	26.90	4.59	0.00	31.49	46.71	51.30
Vehicles	114.76	41.75	0.00	156.50	35.61	11.65	0.00	47.27	109.24	79.14
Office Equipments	14.50	0.95	0.00	15.45	11.27	1.09	0.00	12.36	3.09	3.23
Furniture & Fixtures	16.39	0.00	0.00	16.39	8.81	0.96	0.00	9.77	6.62	7.58
Computers	12.21	0.31	0.00	12.51	9.92	0.92	0.00	10.84	1.67	2.29
CWIP	115.75	0.00	115.75	0.00	0.00	-	0.00	0.00	0.00	115.75
Total	**2,918.86**	**981.90**	**115.75**	**3,785.01**	**534.30**	**140.71**	**-**	**675.01**	**3,110.00**	**2,384.56**
Previous Year	2,412.30	568.89	62.34	2,918.86	429.12	105.18	-	534.30	2,384.56	1,983.18

FY 2023-24

Name of Assets	Gross Block				Depreciation and Amortization				Net Block	
	As on 01-Apr-23	Addition 0	Deduction 0	As on 31-Mar-24	As on 01-Apr-23	for the Period	Deduction during the year	As on 31-Mar-24	As on 31-Mar-24	As on 31-Mar-23
Land	2.98	-	-	2.98	-		-	-	2.98	2.98
Land Development	3.03			3.03	-			-	3.03	3.03
Land Sakhya-CWIP	486.82	16.10	0.00	502.92	0.00	-	0.00	0.00	502.92	486.82
Land 342 & 346		127.52		127.52				-	127.52	-
Factory Building	346.27			346.27	86.67	10.30		96.97	249.30	259.60
Borewell	0.71			0.71	0.68	-		0.68	0.04	0.04
Plant & Machinery	2,649.02			2,649.02	468.50	137.59		606.10	2,042.92	2,180.52
Laboratory Equipments	17.11	1.86		18.97	7.42	0.96		8.38	10.59	9.69
Electric Installatons	78.20	-		78.20	31.49	4.17		35.66	42.54	46.71
Vehicles	156.50	0.58		157.08	47.27	14.20		61.47	95.62	109.24
Office Equipments	15.45	0.53		15.99	12.36	0.90		13.26	2.73	3.09
Furniture & Fixtures	16.39	-		16.39	9.77	0.93		10.70	5.69	6.62
Computers	12.51	0.29		12.80	10.84	0.60		11.44	1.36	1.67
CWIP	0.00	59.57		59.57	-			-	59.57	0.00
Total	**3,785.01**	**206.45**	**-**	**3,991.45**	**675.01**	**169.65**	**-**	**844.65**	**3,146.80**	**3,110.00**
Previous Year	2,918.86	981.90	115.75	3,785.01	534.30	140.71	-	675.01	3,110.00	2,384.56

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ANNEXURE – H

RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Non Current Investment (At Cost)			
Investment In Equity Share of Body Corporate	5.00	5.00	5.00
Mutual Funds			
Total	**5.00**	**5.00**	**5.00**
Aggregate amount of quoted investments market value	-	-	-
Aggregate amount of unquoted investments	5.00	5.00	5.00
Aggregate provision made for diminution in value of investments	**-**	**-**	**-**

Notes:

ANNEXURE – I

RESTATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Unsecured, Considered Good unless otherwise stated			
Capital Advance	-	-	-
Security Deposit	78.23	75.07	73.61
Loans and Advances to Related Parties	45.00	45.00	45.00
Loans and Advances to Others	-	-	-
Total	**123.23**	**120.07**	**118.61**

ANNEXURE – J

RESTATED STATEMENT OF CURRENT INVESTMENT

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Fixed Deposit with Bank	-	-	-
Total	**-**	**-**	**-**

ANNEXURE – K

RESTATED STATEMENT OF INVENTORIES

(Amount in Lakhs Rs.)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Raw Materials	212.67	296.15	387.08
Work in Progress	84.35	-	-
Finished Goods	363.24	309.22	164.60
Tools & Consumables	-	-	-
Total	**660.26**	**605.37**	**551.67**

Notes:

1. Invenotry has been physically verified by the management of the Company at the end of respective year.

ANNEXURE – L

RESTATED STATEMENT OF TRADE RECEIVABLES

(Amount in Rs. Lakhs)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Outstanding for a period exceeding six months (Unsecured and considered Good)			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	46.81	46.58	35.53
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	878.46	281.12	785.06
Total	**925.27**	**327.70**	**820.59**

1. Ageing of the Trade receivable, alogwith any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivables ageing schedule as at 31st March, 2024 **(Rs. in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	878.46	0.23	9.74	-	36.83	925.27
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2023 **(Rs. in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	281.12	9.74	-	36.83	-	327.70
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31st March, 2022 **(Rs. in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	785.06	-	5.63	28.79	1.12	820.59
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

ANNEXURE – M

RESTATED STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)			
Balances with Banks in Current Accounts	105.87	17.00	103.38
Cash on Hand (As certified and verified by Management)	23.56	18.59	3.22
Total	**129.43**	**35.59**	**106.60**

ANNEXURE – N

RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Unsecured, Considered Good unless otherwise stated			
Advance to Vendors	89.32	28.12	162.75
Balance With Revenue Authorities	57.30	126.99	233.56
Advance to Staff including Directors	13.80	36.37	15.73
Others Short Term Loans & Advances	64.37	14.10	14.50
Total	**224.78**	**205.57**	**426.54**

Notes:

1. The Company has given advances against Salary to its Employees including Promoters, Directors, KMP's and other related parties during the above period.

ANNEXURE – O

RESTATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Prepaid Expenses	19.56	8.61	1.70
Other Current Assets	12.42	6.72	1.29
Gratuity Fund, net of Provision	0.55	-	-
Total	**32.53**	**15.33**	**2.98**

ANNEXURE – P

RESTATED STATEMENT OF TURNOVER

(Amount in Rs. Lakhs)

Particulars	for the year ended on		
	31/03/2024	**31/03/2023**	**31/03/2022**
(i) turnover of products manufactured by the issuer (net of excise Duty)	4,636.96	5,031.46	6,697.65
(ii) turnover of products traded in by the issuer; and	-	-	-
*(iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above	-	-	-
(iv) turnover in respect of Services supplied by the issuer	2.15	4.33	4.40
Total	**4,639.11**	**5,035.79**	**6,702.06**

*As per information provided to us by the Issuer, there is no such item.

ANNEXURE – Q

RESTATED STATEMENT OF OTHER NON OPERATING INCOME

(Amount in Rs. Lakhs)

Particulars	for the year ended on 31/03/2024	31/03/2023	31/03/2022
Related and Recurring Income:			
Interest Income	4.92	7.79	2.15
Duty Drawback	37.50	25.93	31.63
Foreign Exchange Gain	15.31	32.46	41.62
Rate Difference	0.00	0.00	1.08
Miscellaneous Income	0.00	0.00	0.09
Total	**57.72**	**66.18**	**76.57**
% of Other Income with Profit Before Tax	8.96%	27.76%	16.47%

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

ANNEXURE – R

RESTATED SATATMENT OF COST OF MATERIAL CONSUMED AND PURCHASE OF STOCK IN TRADE

(Amount in Lakhs Rs.)

Particulars	for the year ended on		
	31/03/2024	31/03/2023	31/03/2022
Cost of Material Consumed			
Opening Stock of Raw Material	296.15	387.08	278.69
Add: Purchases of Raw Material	2,498.00	3,312.68	4,953.47
Add: Direct Expenses	609.23	669.94	723.37
Less: Closing Stock of Raw Material	212.67	296.15	387.08
Total	**3,190.70**	**4,073.55**	**5,568.45**

ANNEXURE – S

RESTATED STATEMENT OF CHANGES IN INVENTORIES

(Amt. in Lakh Rs.)

Particulars	for the year ended on		
	31/03/2024	31/03/2023	31/03/2022
Closing Inventories			
Work in Progress	84.35	-	-
Finished goods	363.24	309.22	164.60
Sub Total (A)	**447.59**	**309.22**	**164.60**
Opening Inventories			
Work in Progress	-	-	-
Finished goods	309.22	164.60	147.45
Sub Total (B)	**309.22**	**164.60**	**147.45**
Changes in Inventories	**(138.37)**	**(144.63)**	**(17.14)**

1. The Inventory has been physically verified on periodic basis by the management.

ANNEXURE – T

RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(Amount in Rs. Lakhs)

	for the year ended on		
Particulars	**31/03/2024**	**31/03/2023**	**31/03/2022**
Salary and Wages	258.46	248.04	177.36
Contribution to Provident Fund and Other Fund	7.91	8.53	5.09
Staff Welfare Expenses	11.80	32.97	11.96
Total	**278.17**	**289.54**	**194.41**

ANNEXURE – U

RESTATED STATEMENT OF FINANCE COST

(Amount in Rs. Lakhs)

	for the year ended on		
Particulars	**31/03/2024**	**31/03/2023**	**31/03/2022**
Interest expense	183.41	111.49	40.29
Other Borrowing cost	12.97	11.33	14.10
Total	**196.37**	**122.82**	**54.39**

ANNEXURE – V

RESTATED STATEMENT OF DEPRECIATION & AMORTISATION

(Amount in Rs. Lakhs)

	for the year ended on		
Particulars	**31/03/2024**	**31/03/2023**	**31/03/2022**
Depreciation and Amortization Expenses	169.65	140.71	105.18
Total	**169.65**	**140.71**	**105.18**

ANNEXURE – W

RESTATED STATEMENT OF OTHER EXPENSES

(Amount in Rs. Lakhs)

Particulars	for the year ended on 31/03/2024	31/03/2023	31/03/2022
Rent	9.84	12.48	13.04
Repairs to buildings	13.11	5.13	30.47
Repairs to machinery	63.08	55.64	77.87
Repairs others	4.84	3.74	11.66
Insurance Expenses	12.08	12.55	10.69
Director's Remuneration	93.00	93.00	91.80
Auditors Fee	1.67	0.95	0.87
Municipal Tax	1.64	0.52	0.38
Miscellaneous Expenses	156.47	197.54	171.74
Total	**355.73**	**381.55**	**408.51**
Miscellaneous Expenses			
Late Fees	0.09	0.15	-
Sales & Distribution	15.12	4.78	14.02
commision on sales	13.20	13.61	14.54
Foreign Exchange Loss	7.05	8.56	10.95
Legal Exps	23.70	6.42	8.82
Professional Fees	8.02	19.46	12.76
Consultant Fees	-	1.50	14.43
Laboratory	12.02	9.92	13.05
Tax Written Off	-	0.00	-
Printing & Stationery	1.87	3.06	3.15
ETP Disposal	16.54	75.22	17.17
Environmnt Protection	5.82	2.73	-
Travelling & Conveyance	23.08	25.53	23.24
Telephone Postage	1.76	1.53	1.88
Factory exps.	14.77	12.07	14.73
Misc. Exps	1.22	3.60	1.89
Entertainment Exps	0.15	0.34	0.14
Membership exps	2.05	1.51	2.74
Provident Fund Exp.	2.17	0.44	0.19
Export/Import Expense	0.07	0.11	0.31
Software renewal	-	-	0.22
Donation	0.59	0.62	0.95
Discount given Kansai Nerolac	4.86	4.24	3.22
Courier Charges	2.01	1.37	1.83
Kasar Vatav/EXCESS PROVISION OF EXPENSES OF EAI	0.32	0.77	0.91
Bad debt written off	-	-	10.60
Sub Total	**156.47**	**197.54**	**171.74**

ANNEXURE – X

RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

Particulars	As at 31/03/2024	31/03/2023	31/03/2022
Net Worth (A)	1,962.04	1,489.36	1,316.43
Restated Profit after tax	472.68	172.93	342.06
Less: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	472.68	172.93	342.06
Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year (Refer Note 6)	2,546,250	2,546,250	2,546,250
Weighted Average Number of Equity shares (Face Value Rs 10) (c)	2,546,250	2,546,250	1,305,514
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Bonus Issue of Shares (D)	12,731,250	12,731,250	11,490,514
Current Assets (E)	1,972.28	1,189.57	1,908.39
Current Liabilities (F)	1,864.49	1,745.60	2,153.31
Face Value per Share (Refer Note 6)	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus) Refer Note 6 & 7	3.71	1.36	2.98
Return on Net worth (%) (B/A)	24.09%	11.61%	25.98%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares	77.06	58.49	51.70
Net asset value per share (A/D) (Face Value of Rs. 10 Each) Based on after bonus number of shares	15.41	11.70	11.46
Current Ratio (E/F)	1.06	0.68	0.89
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	952.88	435.78	547.83

Notes:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) EBITDA has been calculated as Profit before Tax+Depreciation+Interest Expenses-Other Income

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivison and Bonus issue, the event has been considered as if it had occured at the beginning of restatement period.

3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

6) Pursuant to Board resolution dated on 18th April, 2024 and shareholder's consent dated 12th April, 2024 bonus issue of 1,01,85,000 equity shares of face value of Rs 10/- in the ratio 4:1 i.e. four (4) bonus equity shares for every one (1) equity share held by shareholder has been issued.

ANNEXURE – Y

RESTATED STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Rs. Lakhs)

List of Related Parties as per AS - 18 :

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Bharat Jayantilal Pandya	Managing Director
	Anil Jayantilal Pandya	Non Executive Director
	Piyush Maganlal Nathwani	Whole Time Director
Relatives of KMP	Alpaben B Pandya	Wife of Bharat Jayantilal Pandya
	Sailjaben A Pandya	Wife of Anil Jayantilal Pandya
	Rucha Pandya	Daughter of Anil Jayantilal Pandya
	Shail Pandya	Son of Anil Jayantilal Pandya
	Khyati Nathwani	Wife of Piyush Maganlal Nathwani
Associates	Khambhat Environ Care Association	Co-promoted Section 8 Company

		31-Mar-24	31-Mar-23	31-Mar-22
(i) Transactions with Directors/KMP				
1	**Bharat Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	110.09
	Loan Taken by the Company	-	-	19.25
	Loan Repaid by the Company	-	-	129.34
	Interest on Loan taken/Given	-	-	-
	Closing Balance	**-**	**-**	**-**
	Opening balance of Loan given by the Company	11.92	5.57	
	Loan Given	118.88	41.68	55.57
	Loan Repaid	130.80	35.33	50.00
	Interest on Loan Given	-	-	-
	Closing Balance	**-**	**11.92**	**5.57**
2	**Anil Jayantilal Pandya**			
	Director Remuneration	36.00	36.00	36.00
	Purchase of Land	60.19	-	-
	Opening balance of Loan taken by the Company	-	-	56.61
	Loan Taken by the Company	-	-	24.00
	Loan Repaid by the Company	-	-	80.61
	Interest on Loan taken/Given	-	-	-
	Closing Balance	**-**	**-**	**-**
	Opening balance of Loan given by the Company	21.48	5.27	
	Loan Given	137.57	16.21	5.27
	Loan Repaid	159.05	-	-
	Interest on Loan Given	-	-	-
	Closing Balance	**-**	**21.48**	**5.27**
3	**Piyush Maganlal Nathwani**			
	Director Remuneration given	21.00	21.00	19.80
	Reimbursement of expenses	5.98	5.24	4.35
(ii) Transactions with Relatives of Directors/KMP				
4	**Salary Paid**			
	Khyati Nathwani	5.00	5.00	4.95
	Shail Pandya	8.40	8.40	8.40
5	**Rent Paid**			
	Alpaben B Pandya	4.80	4.80	4.80
	Sailjaben A Pandya	4.80	4.80	4.80
(iii) Transactions with Associates				
6	**Khambhat Environ Care Association**			
	Opening balance of Loan given by the Company	45.00	45.00	35.00
	Loan Given	-	-	10.00
	Loan Repaid	-	-	-
	Interest on Loan Given	-	-	-
	Closing Balance	**45.00**	**45.00**	**45.00**

ANNEXURE – Z

RESTATED STATEMENT OF CAPITALISATION

(Amount in Rs. Lakhs)

Particulars	Pre Issue 31/03/2024	Post Issue*
Debt		
Short Term Debt	480.96	*
Long Term Debt	1,282.98	*
Total Debt	**1,763.94**	*****
Shareholders' Fund (Equity)		
Share Capital	254.63	*
Reserves & Surplus	1,707.42	*
Less: Miscellaneous Expenses not w/off	-	*
Total Shareholders' Fund (Equity)	**1,962.04**	*****
Long Term Debt/Equity	0.65	*
Total Debt/Equity	0.90	*

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2024.

* The corresponding post issue figures are not determinable at this stage.

ANNEXURE – AA

RESTATED STATEMENT OF TAX SHELTER

(Amount in Rs. Lakhs)

	Particulars	For the year ended on		
		31/03/2024	**31/03/2023**	**31/03/2022**
A	Profit before taxes as restated	644.59	238.43	464.83
B	Tax Rate Applicable %	25.17	25.17	25.17
C	Tax Impact (A*B)	162.23	60.01	116.99
	Adjustments:			
D	**Permanent Differences**			
	Expenses disallowed due to non deduction of TDS			
	Expenses disallowed Under Section 37 of the IT Act 1961	3.30	2.71	7.65
	Total Permanent Differences	**3.30**	**2.71**	**7.65**
E	**Timing Difference**			
	Difference between tax depreciation and book depreciation	(135.63)	(151.50)	(117.92)
	Expenses Disallowed Under Section 43 B	112.59	(20.33)	20.30
	Total Timing Differences	**(23.04)**	**(171.83)**	**(97.62)**
	Long Term Capital Gain deducted from Profit and tax@ 10%	**-**	**-**	**-**
F	Net Adjustment (F) = (D+E)	(19.74)	(169.12)	(89.97)
G	Tax Expenses/ (Saving) thereon (F*B)	(4.97)	(42.56)	(22.64)
H	Long Term Capital Gain tax @10%+ Surcharge	-	-	-
I	**Tax Liability, After Considering the effect of Adjustment (C +G)**	**157.26**	**17.44**	**94.35**
J	Book Profit as per MAT *	Opted for 115BAA	Opted for 115BAA	Opted for 115BAA
K	MAT Rate (%)			
L	Tax liability as per MAT (I*J)	NA	NA	NA
M	Current Tax being Higher of I or L	157.26	17.44	94.35
N	Interest U/s 234A, B and C of Income Tax Act	12.45	0.01	3.78
O	**Total Tax expenses (M+N)**	**169.71**	**17.45**	**98.13**
P	Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the ackowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

ANNEXURE – AB

RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at		
	31/03/2024	31/03/2023	31/03/2022
Contingent liabilities in respect of:	-	-	-
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	3.55	3.54	3.54
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.23	-	-
Total	**4.78**	**3.54**	**3.54**

RESTATED STATEMENT OF OTHER FINANCIAL RATIOS

S. No.	Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	31-Mar-22
1	Current Ratio (No of Times)	Current assets	Current liabilities	1.06	0.68	0.89
2	Debt Equity Ratio (No of Times)	Debt	Shareholder's Equity	0.90	1.05	0.77
3	Debt Service Coverage Ratio (No of Times)	Earnings available for debt service	Debt Service	1.52	0.81	2.85
4	Return On Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	27.39%	12.33%	32.44%
5	Inventory Turnover Ratio (No of Times)	Revenue	Average Inventory	4.82	6.79	11.34
6	Trade Receivable Turnover Ratio (In Days)	Revenue	Average Trade Receivable	7.40	8.77	10.81
7	Trade Payable Turnover Ratio (In Days)	Cost of goods sold	Average Trade Payables	3.48	3.89	4.31
8	Net Capital Turnover Ratio (No of Times)#	Revenue	Working Capital	43.04	-9.06	-27.36
9	Net Profit Ratio (%)	Net Profit	Revenue	10.19%	3.43%	5.10%
10	Return On Capital Employed (%)	Earning before interest	Capital Employed	22.57%	11.84%	22.25%
11	Return On Investment (%)	Profit generated on sale of investment	Cost of investment	NA	NA	NA

S. No.	Ratio	31-Mar-24	31-Mar-23	Variance	Reason for more than 25% Variance
1	Current Ratio (No of Times)	1.06	0.68	55.23%	Due to increase in Trade Receivables
2	Debt Equity Ratio (No of Times)	0.90	1.05	-14.29%	NA
3	Debt Service Coverage Ratio (No of Times)	1.52	0.81	87.76%	Due to increase in Net Profits of the Company
4	Return On Equity Ratio (%)	27.39%	12.33%	122.21%	Due to increase in profit in FY 2023-24 as compared to FY 2022-23.
5	Inventory Turnover Ratio (No of Times)	4.82	6.79	-28.98%	Due to decrease in turnover but increase in Inventory
6	Trade Receivable Turnover Ratio (No of Times)	7.40	8.77	-15.57%	NA
7	Trade Payable Turnover Ratio (No of Times)	3.48	3.89	-10.35%	NA
8	Net Capital Turnover Ratio (No of Times)	43.04	-9.06	-575.21%	Due to increase in Trade Receivables & decrease in turnover
9	Net Profit Ratio (%)	10.19%	3.43%	196.71%	Due to decrease turnover in FY 2023-24 but shifting to higher margin products
10	Return On Capital Employed (%)	22.57%	11.84%	90.65%	Due to increase in Net Profits of the Company
11	Return On Investment (%)	NA	NA	NA	NA

S. No.	Ratio	31-Mar-23	31-Mar-22	Variance	Reason for more than 25% Variance
1	Current Ratio (No of Times)	0.68	0.89	-23.11%	NA
2	Debt Equity Ratio (No of Times)	1.05	0.77	35.74%	Due to increase in Loans
3	Debt Service Coverage Ratio (No of Times)	0.81	2.85	-71.62%	Due to increase in Net Profits of the Company
4	Return On Equity Ratio (%)	12.33%	32.44%	-62.00%	Due to decrease in profit in FY 2022-23 as compared to FY 2021-22.
5	Inventory Turnover Ratio (No of Times)	6.79	11.34	-40.11%	Due to decrease in turnover but increase in Inventory
6	Trade Receivable Turnover Ratio (No of Times)	8.77	10.81	-18.90%	NA
7	Trade Payable Turnover Ratio (No of Times)	3.89	4.31	-9.89%	NA
8	Net Capital Turnover Ratio (No of Times)	-9.06	-27.36	-66.90%	Due to decrease turnover in FY 2022-23
9	Net Profit Ratio (%)	3.43%	5.10%	-32.72%	Due to decrease turnover in FY 2022-23
10	Return On Capital Employed (%)	11.84%	22.25%	-46.79%	Due to decrease in Net Profits but increase in Capital Employed
11	Return On Investment (%)	NA	NA	NA	NA

Other Notes-

1. The title deeds of all immovable properties are held in the name of the Company. Accordingly, there are no Immovable Properties which were not held in name of the Company as on 31st March, 2024.

2. The Company has not borrowed from Banks and Financial Institutions on the basis of securities of Current Assets as primary security.

3. The Company has not utilised the borrowings received from banks and financial institutions for the purpose other than for which it was taken during the period of restatement.

4. Breakup of Amount Paid to Auditors is as under–

Particulars	31/03/2024	31/03/2023	31/03/2022
Statutory Audit	1.18	0.58	0.58
Tax Audit	0.29	0.29	0.29
Certificates/ Other	0.20	0.23	0.09
Reimbursement of	0.00	0.00	0.00

5. The disclosures required under AS 15 "Employee Benefits" notified in the Companies Act has been disclosed in Notes on Restatement.

6. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

7. The Company has not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the period of restatement.

8. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the period of restatement.

9. The Company did not have any material transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial period ended on 31st March, 2024.

10. During the period of restatement, The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

11. As on 31st March, 2024, the Company does not have any charges for which registration or satisfaction is yet to be done with Registrar of Companies (ROC) beyond the statutory period.

12. During the period of restatement, the Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.

13. Disclosures related to Micro, Small and Medium Enterprises.

Management is in the process of compiling information from its suppliers regarding their status under the MSME act, who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2003 and hence disclosure, if any, of the amount unpaid as at the year-end together with the interest paid/payable as required has been given to the extent information available;

The details relating to Micro, Small and medium enterprise disclosed as under to the extent of information available:

Sr. No.	Particulars	31/03/2023	31/03/2022	31/03/2021
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	166.17	302.96	533.38
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
5	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 the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

14 The company has paid NIL dividend during the restatement period.

15. Figures have been rounded off to the multiple of lakhs. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with the current year figures.

For Mundra & Co.
Chartered Accountants
FRN: 013023C

(CA Nitin Khandelwal)
M. No. 414387
Partner
Date: July 19, 2024
Place: Jaipur

For and on Behalf of the Board

Bharat Jayantilal Pandya
DIN: 00921775
Chairman & Managing Director

Anil Jayantilal Pandya
DIN: 00921815
Executive Director

Narayansingh Jaisingh Deora
Chief Financial Officer

Parth Bharatbhai Thakkar
Company Secretary

OTHER FINANCIAL INFORMATION

ANNEXURE - X: RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

(₹ in Lakhs except the percentage % data)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**	**As at March 31, 2022**
Net Worth (A)	1,962.04	1,489.36	1,316.43
Restated Profit after tax	472.68	172.93	342.06
Less: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	472.68	172.93	342.06
Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year (Refer Note 6)	2,546,250	2,546,250	2,546,250
Weighted Average Number of Equity shares (Face Value Rs 10) (c)	2,546,250	2,546,250	1,305,514
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Bonus Issue of Shares (D)	12,731,250	12,731,250	11,490,514
Current Assets (E)	1,972.28	1,189.57	1,908.39
Current Liabilities (F)	1,864.49	1,745.60	2,153.31
Face Value per Share (Refer Note 6)	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) (After Bonus) Refer Note 6 & 7	3.71	1.36	2.98
Return on Net worth (%) (B/A)	24.09%	11.61%	25.98%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares	77.06	58.49	51.70
Net asset value per share (A/D) (Face Value of Rs. 10 Each) Based on after bonus number of shares	15.41	11.70	11.46
Current Ratio (E/F)	1.06	0.68	0.89
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	952.88	435.78	547.83

Notes:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) EBITDA has been calculated as Profit before Tax+ Depreciation+ Interest Expenses-Other Income

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.

3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

6) Pursuant to Board resolution dated on 18th April, 2024 and shareholder's consent dated 12th April, 2024 bonus issue of 1,01,85,000 equity shares of face value of Rs 10/- in the ratio 4:1 i.e. four (4) bonus equity shares for every one (1) equity share held by shareholder has been issued.

CAPITALISATION STATEMENT

ANNEXURE - Z: RESTATED STATEMENT OF CAPITALISATION

The following table sets forth our capitalisation derived from our Restated Financial Statements as at March 31, 2024, and as adjusted for the Issue. This table should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Restated Financial Information*" and "*Risk Factors*" on pages 246,188, and 30 , respectively of this Draft Red Herring Prospectus.

(₹ in Lakhs)

Sr. No	Particulars	Pre-Issue	Post-Issue
	Debts		
A	Long Term Debt*	1,282.98	[●]
B	Short Term Debt*	480.96	[●]
C	**Total Debt**	**1,763.94**	[●]
	Equity Shareholders Funds		
	Equity Share Capital#	254.63	[●]
	Reserves and Surplus	1,707.42	
D	**Total Equity**	**1,962.04**	
	Long Term Debt/ Equity Ratio (A/D)	0.65	
	Total Debt/ Equity Ratio (C/D)	0.90	
Notes:			
* The amounts are considered as outstanding as on 31.03.2024			
Post Issue figures are not available since Issue price is finalized at Prospectus stage			

FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on March 31, 2024:

(₹ in Lakhs)

Nature of Borrowing	Amount
Secured Borrowings	685.00
Unsecured Borrowings	1,078.94
Total	**1,736.94**

DETAILS OF BORROWINGS:

Details of Secured Borrowings:

(₹ in Lakhs)

Name of Lender	Purpose	Sanctioned Amount	Rate of Interest p.a.	Re-Payment Schedule	Outstanding amount as on March 31, 2024
Small Industries Development Bank of India	Expansion of Manufacturing Facility	745.00	8.80%	72 EMI's of Rs. 10 Lakh Principle + Interest	585.00
Small Industries Development Bank of India	Business Expenses, CAPEX	100.00	8.20%	54 EMI's of Rs. 1.86 Lakh Principle + Interest	100.00
Total					**685.00**

Notes:

A. Collateral Security for the Term loan granted by SIDBI is as under:

(i) First charge by way of Hypothecation in favour of SIDBI of all borrower's movables, including movables, plant, machinery, machinery spares, tools & accessories, Office equipments, computers, furnitutes and fixtures, MFA, etc. acquired/ to be acquired under the project/scheme.

(ii) First charge by way of mortgage in favour of SIDBI of all that piece and parcel of Borrower's industrial use non-agricultural land bearing block/survey no. 347 paiki, admeasuring 19,200 Sq.Mtrs, situated lying and being at village-lunej, Taluka-Khambhat, Registration district-Anand and sub district-Khambhat together with factory shed, building and structure thereon present & future.

(iii) Lien marked on Term Deposit issued by SIDBI for an amount of Rs. 40 lakhs for principal amount together with interest accrued thereon.

(iv) Personal Guarantee of Bharat Jayantilal Pandya and Anil Jayantilal Pandya.

Details of Unsecured Borrowings:

(₹ in Lakhs)

Name of Lender	Purpose	Securities offered	Rate of Interest	Repayment Schedule	Outstanding amount as on March 31, 2024
PNB Bank - Kia Loan	Purchase of Vehicle	Note 1	6.85%	36 Months	6.48
Kotak Bank - Skoda Car Loan	Purchase of Vehicle	Note 1	8.38%	48 Months	25.37
Poonawalla Fincorp Ltd	Business Loan	Note 2	9.00%	192 Months	227.70
Yes Bank Ltd	Business Loan	Note 2	9.75%	96 Months	123.55
Yes Bank Ltd	Business Loan	Note 2	12.00%	61 Months	24.62

Name of Lender	Purpose	Securities offered	Rate of Interest	Repayment Schedule	Outstanding amount as on March 31, 2024
SCBL HS Loan	Loan against Property	Note 2	9.25%	120 Months	136.18
SCBL - Lap/HS Top Up Loan	Working Capital Term Loan	Note 2	15.00%	36 Months	10.36
SCBL - ECLGC - Loan	Working Capital Term Loan	Note 3	9.25%	48 Months	3.13
SCBL ECLGC - NCGTC Loan	Working Capital Term Loan	Note 3	8.00%	60 Months	34.52
Bajaj Finance Ltd	Business Loan	Unsecured	17.90%	24 Months	14.38
Chola Mandalam I & F Co.	Business Loan	Unsecured	19.00%	36 Months	16.64
Deutsche Bank	Business Loan	Unsecured	17.00%	36 Months	38.55
Fullerton (I) Credit C. Ltd	Business Loan	Unsecured	15.50%	18 Months	21.60
Godrej Finance Ltd	Business Loan	Unsecured	18.00%	24 Months	15.36
Hero Fincorp Ltd	Business Loan	Unsecured	17.00%	36 Months	20.70
Kotak Mahindra Bank Ltd	Business Loan	Unsecured	16.00%	24 Months	24.76
Mas Financial Services Ltd	Business Loan	Unsecured	18.50%	24 Months	74.18
Moneywise Financial Services Pvt Ltd	Working Capital Term Loan	Unsecured	17.50%	36 Months	38.85
Neogrowth Credit Private Limited	Business Loan	Unsecured	24.75%	30 Months	15.80
Poonawalla Fincorp Ltd Loan	Business Loan	Unsecured	16.00%	24 Months	2.89
Shriram Finance Ltd	Business Loan	Unsecured	17.50%	36 Months	23.23
Unity Small Finance	Business Loan	Unsecured	17.75%	24 Months	27.20
Gujarat Industrial Investment Corporation	Loan for purchase of Industrial Plot	Unsecured	12.00%	40 Quarters	152.88
Total					**1,078.94**

Notes:

1. Vehicle Loans Sanctioned in the name of the director.
2. Secured against Mortgage of Immovable Property (Residential home & Office in the name of Directors & relatives)
3. Loan under Emergency Credit Line Guarantee Scheme which is 100% guaranteed by National Credit Guarantee Trustee Company (NCGTC)
4. Personal Guarantee of Bharat Jayantilal Pandya and Anil Jayantilal Pandya.

#As certified by M/s. Mundra & Co., Chartered Accountants, by way of their certificate August 12, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the Fiscal Years 2024, 2023, and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 30 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Technichem Organics Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the Financial Years 2024, 2023, and 2022 included in this Draft Red Herring Prospectus beginning on page 188 of this Draft Red Herring Prospectus.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BUSINESS OVERVIEW

Our Company is mainly engaged in the business of manufacturing of a wide range of chemicals, Pyrazoles, Pyrazolones, Speciality Chemicals, Pigment & Dye Intermediates and Air Oxidation Chemistry that serves multiple industries, including pharmaceuticals, agriculture, coatings, pigments, dyes and others. This wide array of end uses highlights the extensive and versatile nature of our product offerings. Our extensive and varied portfolio ensures that we are not confined to one sector. This strategic diversification safeguards us from potential downturns in any single market, providing stability and resilience.

Our Company boasts a global presence, operating in around 11 countries. This extensive international footprint provides us with a broad perspective on market dynamics, enabling us to make informed decisions and better judge market trends. A significant portion of our exports is directed to China, highlighting the exceptional capabilities of our R&D team in synthesizing molecules cost-effectively. This not only underscores our price competitiveness in the global market but also demonstrates our ability to deliver high-quality products at competitive prices. Moreover, our ability to navigate across different chemical processes and applications allows us to meet a wide array of customer needs. This versatility broadens our market presence and enhances our adaptability to changing market conditions and emerging trends.

Our Company is customer centric, values based, R&D driven chemical manufacturer. Our commitment to quality is further demonstrated by our ISO 9001:2015 certification in Quality Management System and ISO 14001:2015 in Environmental Management System. As an ISO certified company, we prioritize quality and precision in crafting chemical compounds and raw materials tailored for agrochemical, coating, pharma, dyes, pigments and specialty chemicals industries. With manufacturing under one roof, our company maintains stringent quality control standards throughout the entire manufacturing process. By doing so, we ensure that our products meet the relevant quality standards before they reach the market.

Furthermore, our staff ensures the reliability and credibility of our laboratory results and services. With their expertise, we maintain precision, adhere to protocols, and deliver results in a timely manner, all of which are paramount in our industries. Having these resources and capabilities in-house allows our Company to support various aspects of product development, quality control, and regulatory compliance.

Technichem always emphasis on importance to environment friendly atmosphere and leading to green technology. To maintain the same, we have primary and secondary treatment facilities backed by multiple effect evaporator for environment management system. As per the need of an hour, improvement is endless process and accepting the same, we have research and development center where we keep on developing the products and improving the process and yield of existing products.

Our approach is supported by a strong commitment to research and development. By continuously investing in the improvement of our products and optimizing the synthesis routes for existing ones, we maintain our competitive edge and expand our market reach. This dedication to R&D helps minimize our exposure to fluctuations in any particular industry.

Since 1996, we have started our journey with the production of pyrazolones & pyrazoles and as & when times goes by, we have developed & commercialize intermediates for multiple applications. We are having manufacturing capacity of 9,50,000 kg per annum as on the date of this Draft Red Herring Prospectus, we have three plants at our factory and our factory area is spreaded in 26,079 squares meters. We are well-equipped to meet the growing demands of our customers and deliver products in a timely manner. Our manufacturing facilities adhere to rigorous quality control measures and industry best practices.

We currently have our manufacturing facility located at Survey No. 342, 346 and 347, Village - Lunej, Khambhat-Golana Road, District - Anand, Gujarat – 388620, Gujarat, India. The total area of the facility is approximately 26,079 square meters. Our manufacturing facilities are well equipped with the required facilities including machinery, other handling equipment's to facilitate smooth manufacturing process. We endeavour to maintain safety in our premises by adhering to key safety norms, established through our regular health check-ups and safety manual, accompanied by regular safety meetings. For further details, please refer chapter titled "Our Business" on page 131 of this Draft Red Herring Prospectus.

Key Performance Indicators of our Company.

(₹ in lakhs)

Key Financial Performance	For the Financial Year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations [(1)]	4,639.11	5,035.79	6,702.06
EBITDA [(2)]	952.88	435.78	547.83
EBITDA Margin (%)[(3)]	20.54%	8.65%	8.17%
PAT	472.68	172.93	342.06
PAT Margin (%)[(4)]	10.19%	3.43%	5.10%
Return on Equity (%)[(5)]	27.39%	12.33%	32.44%
Debt to Equity Ratio (*times*) [(6)]	0.90	1.05	0.77
Current Ratio (times) [(7)]	1.06	0.68	0.89

As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated August 08, 2024.

Explanation of KPIs:

(1) Revenue from operations means the revenue from operations as appearing in the restated financial information.
(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses – Other Income.
(3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
(4) PAT Margin is calculated as PAT for the year divided by revenue from operations.
(5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity.
(6) Debt to Equity ratio is calculated as Long-Term Debt + Short Term Debt divided by equity.
(7) Current Ratio is calculated by dividing Current Assets to Current Liabilities.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

In the opinion of the Board of Directors of our Company, since March 31, 2024, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

1. The Shareholders of our Company has approved to increase the authorised share capital in their meeting held on April 12, 2024 from ₹ 3,00,00,000 /- divided into 30,00,000 Equity Shares of ₹10/- each to ₹ 18,00,00,000 /- divided into 1,80,00,000 equity shares of ₹10/- each.

2. The Board of Directors pursuant to a resolution dated April 18, 2024 have approved the allotment of 1,01,85,000 Bonus Equity Shares in the ratio of 4 equity shares for every 1 existing fully paid-up Equity Shares held.

3. The status of the Company changed to Public Limited and the name of the Company was changed to "*Technichem Organics Limited*" vide Special Resolution passed by the Shareholders at the Extra-Ordinary General Meeting of the Company held on April 30, 2024. The fresh Certificate of Incorporation consequent to conversion was issued on July 04, 2024, by Centralised Processing Centre

4. The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on July 17, 2024.

5. The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on July 17, 2024.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of raw materials and supplies and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled "*Risk Factors*" beginning on page 30 of this Draft Red Herring Prospectus. Our Company's future results of operations could be affected potentially by the following factors:

- Our ability to successfully implement our growth strategy and expansion plans, technological changes and to successfully launch and implement various projects;
- Disruption in our business process;
- Volatility in supply and pricing of raw material and if we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected;
- Our ability to manage an adequate inventory level;
- Our ability to meet our capital expenditure requirements;
- Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Pricing pressures from the competitive business environment;
- Significant developments in India's economic liberalization and deregulation policies, and the fiscal regime;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations; and
- Volatility in the Indian and global securities markets.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the chapter titled *"Restated Financial Statements"* beginning on page 188 of this Draft Red Hering Prospectus.

COMPONENTS OF INCOME AND EXPENDITURE

Revenue from operations: Revenue from operations mainly consists from Sales of products.

Other Income: Other Income Consist of Interest Income, Duty Drawback & Foreign Exchange gain.

Expenses: Company's expenses consist of, Cost of Goods Sold, Changes in Inventories of Finished, Depreciation Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

Cost of Material Consumed: Cost of Goods Sold is derived by: Opening Stock of Raw material + Purchase of Raw Material + Direct Expenses - Closing Stock of Raw Material.

Change in inventory of Stock in Trade: Change in inventory of Stock in Trade consists of difference between opening & closing value of Stock.

Employee Benefits Expense: Employee benefit expenses includes Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds, Staff Welfare expenses etc.

Finance Cost: Finance Cost includes Interest paid on borrowings & Bank Charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Other Expenses: Other expenses include Rent, Repair & Maintenance, Travelling & Conveyance etc.

RESULTS OF OUR OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the financial years ended on 2024, 2023 and 2022:

(₹ in Lakhs)

Particulars	For The Financial year ended on 31st March					
	2024	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
Revenue:						
Revenue from operations	4,639.11	98.77%	5,035.79	98.70%	6,702.06	98.87%
Other income	57.72	1.23%	66.18	1.30%	76.57	1.13%
TOTAL INCOME	**4,696.83**	**100.00%**	**5,101.97**	**100.00%**	**6,778.63**	**100.00%**
Expenses:						
(a) Cost of Goods sold	3,190.70	67.93%	4,073.55	79.84%	5,568.45	82.15%
(b) Purchase of stock-in-trade	-	0.00%	-	0.00%	-	0.00%
(c) Changes in Inventory of Finished goods	(138.37)		(144.63)	-2.83%	(17.14)	-0.25%
(d) Employee benefits expense	278.17	5.92%	289.54	5.68%	194.41	2.87%
(e) Finance costs	196.37	4.18%	122.82	2.41%	54.39	0.80%
(f) Depreciation and amortization expense	169.65	3.61%	140.71	2.76%	105.18	1.55%
(g) Other expenses	355.73	7.57%	381.55	7.48%	408.51	6.03%
TOTAL EXPENSES	**4,052.25**	**86.28%**	**4,863.54**	**95.33%**	**6,313.80**	**93.14%**
Profit / (Loss) before tax	**644.59**	**13.72%**	**238.43**	**4.67%**	**464.83**	**6.86%**
Tax expenses:						
(a) Current tax expense	169.71	3.61%	17.45	0.34%	98.13	1.45%
(b) Short/ (Excess) provision of earlier year	-	-	-	-	-	-
(c) Deferred tax expense / (benefit)	2.2	0.05%	48.05	0.94%	24.64	0.36%
Net tax expense/(benefit)	171.91	3.66%	65..50	1.28%	122.77	1.81%
Profit / (Loss) for the year	**472.68**	**10.06%**	**172.93**	**3.39%**	**342.06**	**5.05%**

COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023

Revenue from Operation

The Revenue from operations during FY 2023-24 was ₹ 4,639.11 lakhs as compared to ₹ 5,035.79 lakhs in FY 2022-23 indicating a decrease by 7.88%. The company is in line with its strategy to focus on high margin products and to phase out production of low margin products over time. Sales from new products amounted to ₹ 428.38 lakhs which is 9.23% of the Revenue from Operations and increased sales to existing high margin products was ₹ 491.53 lakhs which is 10.60% of the Revenue from Operations of FY 2023-24, as one of our strategies is to shift our focus from "High Volume – Low Value" to "Low Volume and High Value" business, which resulted in the increase in profit and decrease in sales volume consequently decrease of capacity utilisation, for further details see, " **OUR STRATEGIES**- ***Shifting from "High Volume – Low Value" to "Low Volume and High Value"*** on page 131 of this Draft Red Herring Prospectus.

Other Income

Other Income in FY 2023-24 amounts to ₹ 57.72 lakhs which is 1.23% of Total Revenue the same was ₹ 66.18 lakhs which was 1.30% of Total Revenue in FY 2022-23.

Cost of Material Consumed

Cost of Material Consumed had decreased by 21.67 % from ₹ 4,073.55 lakhs in FY 2022-23 to ₹ 3,190.70 lakhs in FY 2023-24. Decrease in purchases during the during the year lead to lower Cost of Materials Consumed.

Change in inventory of Finished Goods

Change in inventory of Stock in trade had decreased by 4.33 % from ₹ (144.63) lakhs in FY 2022-23 to ₹ (138.37) lakhs in FY 2023-24. Closing Inventory during FY 2023-24 was ₹ 447.59 lakhs while the opening inventory was ₹ 309.22 lakhs. This led to changes in inventory of ₹ (138.37) during the year. Reduction in sales led to inventory pile up during FY 2023-24.

Employee Benefit Expenses

Employee benefit expenses has decreased by 3.93% from ₹ 289.54 lakhs in FY 2022-23 to ₹ 278.17 lakhs in FY 2023-24. The decrease was due to lower staff welfare expenses during FY 2023-24.

Finance Cost

Finance Cost has increased by 59.88 % from ₹ 122.82 lakhs in FY 2022-23 to ₹ 196.37 lakhs in FY 2023-24. The increase in Finance cost was due to increased borrowings.

Depreciation and Amortization Expenses

Depreciation has increased by 20.57% from ₹ 140.71 lakhs in FY 2022-23 to ₹ 169.65 lakhs in FY 2023-24. The company charges depreciation on WDV basis. Depreciation increased as the company made additions to their fixed assets during FY 2023-24.

Other Expenses

Other expenses have decreased by 6.77% from ₹ 381.55 lakhs in FY 2022-23 to ₹ 355.73 lakhs in FY 2023-24.

Tax Expenses

The Company's total tax expenses have increased from ₹ 65.50 lakhs in FY 2022-23 to ₹ 171.91 lakhs in FY 2023-24. Increase in profits have attracted more tax liability during FY 2023-24.

Profit After Tax

Profit after Tax in FY 2023-24 was ₹ 472.68 lakhs representing 10.06 % of Total income. The same in FY 2022-23 was ₹ 172.93 lakhs which was 3.39 % of Total Income. The Profit after Tax in FY 2023-24 was higher by 173.34 % as compared to FY 2022-23. The company's strategic move to focus on higher margin products is playing a key role in improvement of profit margins. On the other hand, the gross margin of the company also improved to 34.20% in FY 2023-24 as compared to 21.98% in FY 2022-23. These factors in totality have led to increase in PAT margins during FY 2023-24.

COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022

Revenue from Operation

Revenue from Operations during FY 2022-23 was ₹ 5,035.79 as compared to ₹ 6,702.06 in FY 2021-22 indicating a decrease by 24.86 % The company's strategy was to focus on high margin products and it began to stop producing some of their low margin products as well as reduced sales of some of the low margin products. Another factor was decline in commodity prices. During FY 2021-2022, the commodity prices were at all time high due to covid-19 and that led to inflated

sales during FY 2021-22. The products phased out by the company resulted in decrease in sales by 31.10% during FY 2022-23. All these factors led to decrease in Revenue from Operations during FY 2022-23.

Other Income

Other Income in FY 2022-23 amounted to ₹ 66.18 lakhs the same was ₹ 76.57 lakhs in FY 2021-22. Decrease in other income was due to decrease in Duty Drawback and Foreign Exchange Gain during FY 2022-23.

Cost of Material Consumed

Cost of Material Consumed had decreased by 26.85 % from ₹ 5,568.45 lakhs in FY 2021-22 to ₹ 4,073.55 lakhs in FY 2022-23. Decrease in purchases during the during the year lead to lower Cost of Materials Consumed.

Change in inventory of Stock in trade

Change in inventory of Stock in trade had increased by 743.82% from ₹ (17.14) lakhs in FY 2021-22 to ₹ (144.63) lakhs in FY 2022-23. This increase was primarily due to higher closing inventories during the year.

Employee Benefit Expenses

Employee benefit expenses has increased by 48.93% from ₹ 194.41 lakhs in FY 2021-22 to ₹ 289.54 lakhs in FY 2022-23. This increase was due to increase in salaries and wages during FY 2022-23.

Finance Cost

Finance Cost has decreased by 125.81% from ₹ 54.39 lakhs in FY 2021-22 to ₹ 122.82 lakhs in FY 2022-23. This increase was primarily due to increase in Interest on borrowings during the year.

Depreciation and Amortization Expenses

Depreciation has increased by 33.78% from ₹ 105.18 lakhs in FY 2021-22 to ₹ 140.71 lakhs in FY 2022-23. The company charges depreciation on WDV basis. During FY 2022-23, the company made additions in their fixed assets which lead to increase in depreciation during the year.

Other Expenses

Other expenses have decreased by 6.60 % from ₹ 408.51 lakhs in FY 2021-22 to ₹381.55 lakhs in FY 2022-23.

Tax Expenses

The Company's total tax expenses have decreased from ₹ 122.77 lakhs in FY 2021-22 to ₹ 65.50 lakhs in FY 2022-23. Decrease in profits have led to decreased tax liability during FY 2022-23.

Profit After Tax

Profit after Tax in FY 2022-23 was ₹ 172.93 lakhs representing 3.39% of Total income. The same in FY 2021-22 was ₹ 342.06 lakhs which was 5.05% of Total Income. The Profit after Tax in FY 2022-23 was lower by 49.44% as compared to FY 2021-22. Decrease in top line growth and the company's strategy to phase out products and focus on higher margin products required the company to incur capital expenditure which led to increase in depreciation by 33.78% during FY 2022-23. Thereby reducing profits in FY 2022-23.

Cash Flows

The table below is our cash flows for the financial years ended on 2024, 2023, and 2022:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash from Operating Activities	261.94	334.97	86.34
Net Cash from Investing Activities	(186.47)	(839.38)	(519.02)
Net Cash from Financing Activities	18.38	433.41	455.80

Cash Flows from Operating Activities

Net cash from operating activities for FY 2023-24 was at 261.94 lakhs as compared to the Profit Before Tax at ₹ 644.59 lakhs while for FY 2022-23 net cash from operating activities was at 334.97 lakhs as compared to the Profit Before Tax at ₹ 238.43 Lakhs. This was primarily due to adjustments against, changes in Working Capital & Income Tax Paid.

Net cash from operating activities for FY 2022-23 was at ₹334.97 lakhs as compared to the Profit Before Tax at ₹ 238.43 lakhs while for FY 2021-22 net cash from operating activities was at ₹ 86.34 lakhs as compared to the Profit Before Tax at ₹ 464.83 Lakhs. This was primarily due to adjustments against adjustments against, changes in Working Capital & Income Tax Paid.

Cash Flows from Investment Activities

In FY 2023-24, the net cash invested in Investing Activities was ₹ (186.47) lakhs. This was mainly on account of Purchases of Fixed Assets.

In FY 2022-23, the net cash invested in Investing Activities was ₹ (839.38) lakhs. This was mainly on account of Purchases of Fixed Assets.

In FY 2021-22, the net cash invested in Investing Activities was ₹ (519.02) lakhs. This was mainly on account of Purchases of Fixed Assets.

Cash Flows from Financing Activities.

In FY 2023-24, the net cash from financing activities was ₹ 18.38 lakhs. This was on account of proceeds from long term borrowings.

In FY 2022-23, the net cash from financing activities was ₹ 433.41 lakhs. This was on account of proceeds from long term and short-term borrowings.

In FY 2021-22, the net cash from financing activities was ₹ 455.80 lakhs. This was on account of proceeds from long term and short-term borrowings.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled "Restated Financial Statements" beginning on page 188 of this Draft Red Herring Prospectus.

OFF-BALANCE SHEET ITEMS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements.

QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in future and our access to funds.

Effect of Inflation

In line with changing inflation rates, we may rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

OTHER MATTERS

Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

Except as disclosed in chapter titled "*Restated Financial Statements*" beginning on page 188 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered "unusual" or "infrequent".

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "*Risk Factors*" beginning on page 30 of this Draft Red Herring Prospectus.

Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled "*Risk Factors*" and chapter titled "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*", beginning on page 30 and 246 of this Draft Red Herring Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

Future relationship between Costs and Income

Other than as described in the section titled "*Risk Factors*" beginning on page 30 of this Draft Red Herring Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Changes in revenue in the last three financial years are as explained in the part "*Financial Year 2023-24 compared with financial year 2022-23 and Financial Year 2022-23 Compared with Financial Year 2021-22*" above.

Significant dependence on a single or few suppliers or customers

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our suppliers vis a vis the total purchases for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Particulars	Suppliers		
	March 31, 2024	March 31, 2023	March 31, 2022
Top 5 (%)	31.15%	36.65%	34.41%
Top 10 (%)	47.02%	54.46%	53.59%

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Particulars	Customers		
	March 31, 2023	March 31, 2022	March 31, 2021
Top 5 (%)	37.06%	41.73%	36.19%
Top 10 (%)	56.25%	62.83%	55.02%

Status of any publicly announced new products or business segments

Please refer to the chapter titled "*Our Business*" beginning on page 131 of this Draft Red Herring Prospectus for new products or business segments.

The extent to which the business is seasonal

Our business is not seasonal in nature.

Competitive Conditions

We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors in client decisions among competitors, however, reliability and competitive pricing is the deciding factor in most cases. We face fair competition from both organized and unorganized players in the market. We believe that our experience, and reliability record with our customers will be key to overcome competition posed by such organized and unorganized players. Although, a competitive market, there are not enough number of competitors offering products similar to us. We believe that we are able to compete effectively in the market with our quality of products and our reputation. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the products.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on July 19, 2024, materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:

a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoter, Directors, or Group Companies, as the case may be shall be deemed to be material;

b) All pending litigation involving our Company, Promoters, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the net profits after tax of the Company for the most recent audited fiscal period; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoters, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at https://www.technichemorganics.com/ ;

c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND SUBSIDIARIES

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

Nil

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3) Disciplinary Actions by Authorities

Nil

4) Litigation involving Tax Liability

Indirect Tax

Sr. No	Entity and GSTIN	Name of Authority	Notice / Demand Order Id & Period	Notice /Order Description	Amount in Dispute (Rs.)	Current Status
1.	M/s. Technichem Organics Private Limited 24AACCT2027K1ZJ	State Tax Officer Ghatak 54 (Khambhat) Range 13 (Nadiad)	ZD240524085354D Dated May 27,2024 Period: April 2019-March 2020	Summary Show Cause Notice u/s. 74 of CGST/DGST Act, 2017 for scrutiny of returns filed in Form-GSTR-3B, GSTR-01, GSTR-2A, GSTR-9 on grounds that the suppliers' registrations were cancelled before the date of invoice	Total demand for tax and other dues amounting Rs. 8,930/- (Rs. 3,146/- being tax demand; Rs. 2,638/- being interest and Rs. 3,146/- being penalty)	The matter is pending for response from the assessee
2.	M/s. Technichem Organics Private Limited 24AACCT2027K1ZJ	State Tax Officer Ghatak 54 (Khambhat) Range 13 (Nadiad)	ZD240524085261K Dated: May 27,2024 Period: April 2019-March 2020	Summary Show Cause Notice u/s. 73 (5) of CGST/DGST Act, 2017 for scrutiny of returns filed in Form-GSTR-3B, GSTR-01, GSTR-2A, GSTR-9	Total demand for tax and other dues amounting Rs. 87,61,090/- (Rs. 45,19,857/- being tax demand; Rs. 37,89,248/- being interest and Rs. 4,51,985/- being penalty)	The matter is pending for response from the assessee
3.	M/s. Technichem Organics Private Limited 24AACCT2027K1ZJ	State Tax Officer Ghatak 54 (Khambhat) Range 13 (Nadiad)	Intimation of Tax in GST DRC-01A, ZD240624024892E Case ID: AD240624006082M Dated :June 10, 2024 Period: April 2020-March 2021	Intimation of Tax liability 73 (5) of CGST/DGST Act, 2017 after scrutiny of returns filed in Form-GSTR-3B, GSTR-01, GSTR-2A, GSTR-9 and E-Way Bill data	Total demand for tax and other dues amounting Rs. 44,89,700/- (Rs. 25,44,074/- being tax demand; Rs. 16,91,218/- being interest and Rs. 2,54,208/- being penalty)	The Company has filed detailed reply in the matter and the same pending for response from the concerned authority

Direct Tax:

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 3,54,591/- is determined to be paid from Previous years till 2023-24 against **M/s. Technichem Organics Private Limited** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 201 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

5) Other Pending Litigation based on Materiality Policy of our Company

Nil

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

a. M/s. Technichem Organics Pvt. Ltd. (hereinafter referred to as the Complainant) V/s. 1. M/s. Zenith Dye Chem; 2. Vijaybhai Hargovanbhai Vaghela (Parties 1 & 2 collectively referred to as the Respondents and individually as Respondent No. 1 & 2 respectively)

(Case No. CC 64899/2022 Filed And Pending Before The Hon'Ble Addl. Metropolitan Magistrate(N.I)
Court No. 35 At Ahmadabad)M/s. Technichem Organics Pvt. Ltd supplied 5 Amino PMP to you, per your order, via Vehicle No. GJ-23-Y-2805 of Shree Hari Transport, detailed in Invoice No.230 dated 5-3-2022 for Rs.9,74,090/-. M/s.Zenith Dye Chem issued a cheque (No.000646 dated 25-3-2022) for the said amount, which was dishonored due to "Payment stopped by drawer." Despite receiving the goods to your satisfaction, M/s.Zenith Dye Chem falsely disputed their quality to avoid payment. The instant petition was filed for recovery of the aforementioned amount of Rs. 9,74,090/- after service of legal notice dated April 12, 2022 and the same is pending.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3) Disciplinary Actions by Authorities

Nil

4) Litigation involving Tax Liability

Nil

5) Other Pending Litigation based on Materiality Policy of our Company

Nil

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

Nil

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3) Disciplinary Actions by Authorities

Nil

4) Litigation involving Tax Liability

Direct Tax

Jaina Mehulbhai Mehta (Independent Director)

a. A.Y-2021-22

As per details available on the website of the Income Tax Department **Ms. JAINA MEHULBHAI MEHTA (**hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. **202120212370398930 51T** dated January 27, 2022 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 16,220 in addition to an interest of Rs. 4,536/- has been raised for the A.Y. 2021-22 and the same is pending

Indirect Tax: Nil

5) Other Pending Litigation based on Materiality Policy of our Company

Nil

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

Nil

2) Litigation Involving Actions by Statutory/Regulatory Authorities

Nil

3) Disciplinary Actions by Authorities

Nil

4) Litigation involving Tax Liability

Nil

5) Other Pending Litigation based on Materiality Policy of our Company

Nil

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES

A. LITIGATION AGAINST OUR SUBSIDIARIES AND / OR GROUP COMPANIES

As on date of this Draft Red Herring Prospectus, our Company does not have any group and / or Subsidiary Company. Hence details under this section are not applicable.

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the

case of our Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOMECOULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 246 there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2024: -

Name	Balance as on March 31, 2024 (Rs. Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	166.17
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	823.29

GOVERNMENT AND OTHER STATUTORY 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 Draft Red Herring Prospectus) 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 this Issue 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 Issue 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 Draft Red Herring Prospectus.

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 are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated February 27, 1996 from the Registrar of Companies, Gujarat, Dadra & Nagar Haveli under the Companies Act, 1956 as "TECHNICHEM ORGANICS PRIVATE LIMITED" (Corporate Identification Number. U24231GJ1996PTC028917)

2. Fresh Certificate of Incorporation dated July 04, 2024 from the Registrar of Companies, Central Processing Centre, consequent to conversion of the Company from 'TECHNICHEM ORGANICS PRIVATE LIMITED" to "TECHNICHEM ORGANICS LIMITED" (CorporateIdentificationNumber-U24231GJ1996PLC028917)

APPROVALS IN RELATION TO THE ISSUE

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on July 17, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.

2. Our shareholders have, pursuant to a resolution dated July 17, 2024, under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue.

3. Our Board of Directors has, pursuant to a resolution dated August 23, 2024 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with BSE SME.

Approvals from Stock Exchange

1. Our Company has received in-principal listing approval from the BSE SME dated [●] for listing of Equity Shares issued pursuant to the Issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated August 05, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.

2. The Company has entered into an agreement dated July 18, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited imited, for the dematerialization of its shares.

APPROVALS/LICENSES/PERMISSIONS IN RELATION TO OURBUSINESS

Tax Related Approvals

S. No	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Date of issue / Effective date	Date of Expiry
1.	Permanent Account Number (PAN)	--	AACCT2027K	Income Tax Department	Effective from February 27, 1996	Valid till Cancelled
2.	Tax Deduction Account Number(TAN)	M/s. Technichem Organics Private Limited, 5th Floor, Malak Building Nr. Old Gujarat High Cour Navrangpura Ashram Road Gujarat,Ahmedabad	AHMT00469A	Income Tax Department	Issued on June 05, 1996	Valid till Cancelled
3.	GST Registration Certificate (Gujarat)	M/s. Technichem Organics Private Limited, 0, 347, Lunej, Khambhat Golana Road, Anand, Gujarat, 388620 **Additional Place of Business** 5, 0, Malak Bulding, B H High Court, Navrangpura, Ahmedabad, Gujarat, 380009	24AACCT2027K1ZJ	Goods And Services Tax Department Rajasthan	Effective date July 01,2017 Latest amended certificate: July 07, 2018	Valid till Cancelled
4.	Professions Tax Registration Certificate (P.T.R.C.)	M/s. Technichem Organics Private Limited, Golana Road, Lunej, KhambhatAnand, Gujarat	Certificate Number:-R.C.12040259193	Taluka Panchayat Khambhat, Ahmedabad, Gujarat	September 09, 2020	Valid till Cancelled
5.	Professions Tax Registration Certificate (P.T.R.C.)	M/s. Technichem Organics Private Limited, 12,Swetal society, Gulbai Tekra	Certificate Number:-E/112382513	Gujarat state Tax on Profession	October, 14, 1996	Valid till Cancelled
6.	Professions Tax Enrollment Certificate (P.T.E.C.)	M/s. Technichem Organics Private Limited, 12,Swetal society, Gulbai Tekra 009	Certificate Number:-R.C. 112050968	Ahmedabad Municipal Corporation, Ahmedabad	October, 14, 1996	Valid till Cancelled

Registrations related to Labour Laws

S. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	License to work a Factory	M/s. Technichem Organics Private Limited, Survey No. 347 Village – LunejVaduchi Mata Road. Khambhaat, Anand, Baroda, Gujarat	Registration Number-172/24297/1997 License Number. 18166	Directorate Industrial Safety & Health Anand Gujarat	Originally issued on August 01, 1997 Last renewed on July 27, 2021	December 31, 2025
2.	Registration under the Employees Provident fund (EPF)	M/s. Technichem Organics Private Limited, Sr No. 347, Lunejtal Khambhat Anand Gujarat - 388620	GJAHD0027683000	Employees' Provident Fund Organization	July 15, 2015	Valid till Cancelled

S. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
3.	Registration under section, 7 of the contract labour (Regulation and abolition) Act, 1970	M/s. Technichem Organics Private Limited, S.No.347, Village Lunej	Registration No.: AND/2024/CLRA/2	Assistant Labour Commissioner Office - Anand	March 30, 2024	Valid till Cancelled
4.	Employees compensation Insurance Policy	Survey No. 347 Village – LunejVaduchi Mata Road. Khambhaat, Anand, Baroda, Gujarat	Policy No. 2250031954	Tata AIG Insurance	July 06, 2024	July 05, 2025

Business Specific Approvals

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	License for the purchase, possession and use of methyl alcohol	M/s. Technichem Organics Private Limited, Survey No 347, Village Lunel, Khambhat Golana Road, Taluka Khambhat-388620, District Anand.	License Number: 31/2023-2024	District Superintendent Prohibition & Excise,Anand	August 23, 2023	March 31, 2025
2.	Narcotics Acetic Anhydride Permission	M/s. Technichem Organics Private Limited, Survey 347, Village: Lunej, Khambhat-GolanaRoda, Khambhat, Gujarat-388620	AHCD0101304	Zonal Director Narcotics Control Bureau, Ministry of Home Affairs, Govt. of India	September 30, 2022	Valid till Surrender
3.	GDMA - Membership Certificate	M/s. Technichem Organics Private Limited,	Mem.No.P-70	The Gujarat Dyestuff Manufacturers Association	June 30, 2017	--
4.	Consent to Establish (After obtaining Environment Clearance)under Section 25 of Water Act, 1974 and Section 2l of Air Act,l98l	M/s. Technichem Organics Private Limited, 347, Vill : Lunej, City :LuneiDist : Anand, Taluka : Khambhat	CC&A- letter Number: GPCB/CCA-AND-95(2)/ID-17684/508316	Gujarat Pollution Control Board	May 28, 2019	May 27, 2026
5.	Consolidated consent and authorization under the provisions the Water (Prevention and Control of Pollution) Act-1974, Air (Prevention and	M/s. Technichem Organics Private Limited, Survey No. 347, Village: Lunej, Taluka Khambhat, District Anand (Gujarat)	CCA-AWH-99843 Amendment to consolidated Consent and Authorization AWH-111450	Gujarat Pollution Control Board	March 05, 2019 Amendment dated February 08, 2021	January 05, 2026

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
	Control of Pollution) Act-1981 and Authorization under the Hazardous Waste and other wastes. (Management and Trans boundary Movement) Rules '2016 framed under the E (P) Act-1986					
6.	Environment Clearance Certificate	M/s. Technichem Organics Private Limited, Survey No. 347, Village: Lunej, Taluka Khambhat, District Anand (Gujarat)	F. No.J-11011/348/2018-IA-II (I)	Ministry of Environment, Forest and Climate Change (MoEFCC)	December 27, 2019	December 27, 2026
7.	Certificate for use of Boiler	M/s. Technichem Organics Private Limited, S.No.347, Village Lunej- Anand	Registry No. of Boiler : GT-8576	Gujarat Boiler Inspection Department	July 08, 2023	July 07, 2024 Renewal application filed vide application no. BW/A015/A0152024-20250048766 dated July 30, 2024
8.	Certificate for use of Boiler	M/s. Technichem Organics Private Limited, S.No.347, Village Lunej- Anand	Registry No. of Boiler : GT-12377	Gujarat Boiler Inspection Department	September 05, 2023	September 04. 2024
10	License To Import And Store Petroleum In An Installation	M/s. Technichem Organics Private Limited, 5th Floor, Malak Building, B/H. Old High Court, Navranpura, Ahmedabad, Gujarat-380009	P/WB/GJ/15/2919(P414531)	Jt. Chief Controller of Explosives, WB, Vadodara	May 31, 2023	December 31, 2026
11.	Public Liability Act Policy	M/s. Technichem Organics Private Limited, Survey No: 347, Village: Lunej, Khambhatgolana Road, Tal. Khambhat,	Policy Number-3040060550300	Tata AIG General Insurance Company Limited	January 23, 2024	January 22, 2025

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
		Dis. Anand, Gujarat 388620 (Territorial limits: Anywhere in India)				

Other Approvals

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Udyam Registration Certificate	M/s. Technichem Organics Private Limited, 5th Floor , Malak complex Navrangpura, NR LohaBhavan behind old high court Ahmedabad, Gujarat, 380009	UDYAM-GJ-01-0370775	Ministry of Micro Small & Medium Enterprises	March 06, 2024	Valid till Cancelled
2.	LEI (Legal Entity Identifier)	M/s. Technichem Organics Private Limited, 5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpura Ahmedabad-380009	254900DCKEAX47TWWH84	LEI Register India Private Limited	November 28, 2018	December 23, 2024
3.	Import Export Code (IEC)	M/s. Technichem Organics Private Limited, 5th Floor, Malak Complex, Behind Old Gujarat HighCourt, Navrangpura Ahmedabad-380009	IEC Number: 0896001288	Ministry of Commerce and Industry Directorate General of Foreign Trade	May 16, 1996	Valid till Cancelled
4.	One star Export House Certificate	M/s. Technichem Organics Private Limited, 5th Floor, Malak Building, Behind Old High Count, Navrangpura, Ahmedabad- 380009, Gujarat, India	080120000272	Directorate General Of Foreign Trade	December 08, 2020	September 08, 2025
5.	RCMC Certificate from CHEMEXCIL	M/s. Technichem Organics Private Limited, 5th Floor, MalakBldg, B/H. High Court, Navrangpura, Ahmedabad - 380009, Gujarat	CHEM/AHD/T-74/P-II/15-16/1521 dated July 06, 2015	Ministry of Commerce & Industry, Government of India	July 17, 2020	March 31, 2025

6.	ISO 9001:2015	M/s. Technichem Organics Private Limited, 5th Floor, Malak Building, Behind Old High Count, Navrangpura, Ahmedabad- 380009, Gujarat, India	Certificate Number: 2022090956	QRO Certification LLP	September 09, 2022	September 08, 2025
7.	ISO 14001:2015	M/s. Technichem Organics Private Limited, 5th Floor, Malak Building, Behind Old High Count, Navrangpura, Ahmedabad- 380009, Gujarat, India	Certificate Number: 2022090957	QRO Certification LLP	September 09, 2022	September 08, 2025
8.	Certificate Of Stability	M/s. Technichem Organics Private Limited, Survey 347, Village: Lunej, Khambhat-GolanaRoda, Khambhat, Gujarat- 388620	REF:-23/ES/12/09/B	Kaushik M. Shah	December 09,2023	December 08, 2024
9	GDMA - Membership Certificate	M/s. Technichem Organics Private Limited,	Mem.No.P-70	The Gujarat Dyestuff Manufacturers Association	June 30, 2017	--
10.	Environment Clearance Certificate	M/s. Technichem Organics Private Limited, Survey No. 347, Village:Lunej, Taluka Khambhat,District Anand (Gujarat)	F. No.J-11011/348/2018-IA-II (I)	Ministry of Environment, Forest and Climate Change (MoEFCC)	December 27, 2019	December 27, 2026
11.	Certificate of Verification of the weights, measures, etc	M/s. Technichem Organics Private Limited, Survey No. 347, Village:Lunej, Taluka Khambhat,District Anand (Gujarat)	3004748/ AND/2024/01	Junior Inspector, Legal Metrology and Consumer Protection Petlad Div, Dist. Anand	March 28, 2024	March 28, 2025

INTELLECTUALPROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Application Number	Owner	Date of Application	Authority	Current Status
1.	Device ”TECHNICHEM” technichem	1	**Application Number**: 6487231	M/s. Technichem Organics Private Limited	June 19, 2024	Government Of India, Trade Marks Registry, Ahmedabad, Gujarat	Formalities Chk Pass

S. No	Brand Name/Logo Trademark	Class	Application Number	Owner	Date of Application	Authority	Current Status
2.	Word ”TECHNICHEM”	1	**Application Number**: 6487230	M/s. Technichem Organics Private Limited	June 19, 2024	Government Of India, Trade Marks Registry, Ahmedabad, Gujarat	Formalities Chk Pass
3.	Word ”TECHNICHEM”	35	**Application Number**: 6487232	M/s. Technichem Organics Private Limited	June 19, 2024	Government Of India, Trade Marks Registry, Ahmedabad, Gujarat	Formalities Chk Pass
4.	Device “TECHNICHEM”	35	**Application Number**: 6487233	M/s. Technichem Organics Private Limited	June 19, 2024	Government Of India, Trade Marks Registry, Ahmedabad, Gujarat	Formalities Chk Pass

Domain Name

S. No	Domain Name and ID	Registrar ID	Registrant Name IANA ID	Creation Date	Registry Expiry Date
1.	https://www.technichemorganics.com/	Registry Domain ID: 405229347_DOMAIN_COM-VRSN	Registrar: PDR Ltd. d/b/a Registrar IANA ID: 303	April 09, 2006	April 09, 2025

Approvals related to the object of the issue:

Sr. No.	Description	Address of the Premises	Relevant Authority	Approval Number	Date of Approval
1.	Factory Plan (Plant-4) approval for Construction	(IN-4) on S.No. 342+ 346+347/P, Lunej, Tal: Khambhat, Dist.: Anand, Gujarat	Town Planning and Elevation, Anand	Letter No. B.P. Lunej/ Khambhat/ 1182	July 05, 2024

Licenses to be Applied:

Sr. No.	Description	Premises	Existing Registration Number	Concerned Authority	Time frame within which to be applied
1	Registration under Gujarat Shops And Establishment Act, 2019	5th Floor, Malak Complex, Behind Old Gujarat High Court, Navrangpu, Ra, Ahmedabad, Gujarat, India, 380009	--	Amdavad Municipal corporation, Gujarat	After receipt of correction of address in Professional Tax Registration
2.	Consent to establish factory for the premises under object of issue	(IN-4) on S.No. 342+ 346+347/P, Lunej, Tal: Khambhat, Dist.: Anand, Gujarat	--	Directorate Industrial Safety & Health Anand Gujarat	Before starting of factory construction

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company from pursuant to change of its constitution from Private Limited to Public Limited.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Our Board of Directors have vide resolution dated July 17, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on July 17, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the BSE SME. BSE is the designated stock exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our Company, promoters, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters offered by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Red Herring Prospectus.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, our Promoters and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THE ISSUE

Our Company is an "Unlisted Issuer" in terms of the SEBI ICDR Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital is exceed ₹ 10 crores but does not exceed ₹ 25 crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below.

a) As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 1,273.13 Lakhs comprising 1,27,31,250 Equity Shares of ₹10/- each and the Post Issue paid-up Capital (face value) will be ₹ [●] Lakhs comprising [●] Equity Shares which shall be below ₹ 25 crores.

b) Our Company confirms that it has track record of more than 3 years.

The Net- worth of our Company as per the restated financials of our Company for the last 3 financial years is more than Rs. 1 crore:

(₹ in Lakhs)

Particulars	FY March 31, 2024	FY March 31, 2023	FY March 31, 2022
Share Capital	254.63	254.63	254.63
Add: Reserves and surplus	1,707.42	1,234.74	1,061.81
Net worth	**1,962.04**	**1,489.36**	**1,316.43**

c) The Net Tangible Assets of our Company as per the restated financials of our Company as at March 31, 2024 (last preceding full financial year) is more than Rs. 300 Lakhs as computed below:

(₹ in Lakhs)

Particulars	FY March 31, 2024
Net Assets	5,247.32
Less: Intangible Assets	-
Net Tangible Assets	**5,247.32**

d) Our Company was incorporated on February 27, 1996, under the provisions of Companies Act, 1956 with the Registrar of Companies, Ahmedabad. Hence, our Company is in existence for a period of 28 years on the date of filing of this Draft Red Herring Prospectus with BSE.

e) Our company has operating profits on the basis of restated financials (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding 3 financial years preceding the application date. Further, our Company has operating profit (earnings before interest, depreciation and tax) from operations for one full financial year preceding the application date, below are the details:

(₹ in Lakhs)

Particulars	FY March 31, 2024	FY March 31, 2023	FY March 31, 2022
Profit Before Tax	644.59	238.43	464.83
Add: Finance Cost	196.37	122.82	54.39
Add: Depreciation	169.65	140.71	105.18
Less: Other Income	57.72	66.18	76.57
Operating Profits	**952.88**	**435.78**	**547.83**

f) Our Leverage Ratio is less than 3 as per restated financial statement is as under:

(₹ in Lakhs)

Particulars	FY March 31, 2024
Share Capital	254.63
Reserves and surplus	1,707.42
Networth (A)	**1,962.04**
Long Term borrowings	1282.98
Short Term borrowings	480.96
Total Borrowings (B)	**1,763.94**
Leverage Ratio (C) = B/A	**0.90:1**

g) There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals. None of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange. Accordingly, there is no applicability of compulsory delisting is attracted and none of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of companies that are suspended from trading on account of non-compliance. Further, none of our directors are disqualified/ debarred by any of the Regulatory Authority.

h) There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company, promoters/ promoting company(ies), Subsidiary Companies.

i) In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by our Company from the activity indicated by our new name: **Not Applicable.**

j) Other Disclosures:

- We have a functional website: https://www.technichemorganics.com/ .
- 100% of Equity Shares held by the Promoters is in dematerialised form.
- Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
- There has been no change in the Promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
- Our composition of the board is in compliance with the requirements of Companies Act, 2013.
- The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
- There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
- No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

a) The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE. BSE is the Designated Stock Exchange.

b) Our Company has entered into an agreement dated July 18, 2024 with NSDL and agreement dated August 05, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.

c) The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.

d) The entire Equity Shares held by the Promoters are in dematerialized form.

e) The fund requirements set out for the Objects of the Issue are proposed to be met entirely 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 as required under the SEBI ICDR Regulations. For details, please refer the chapter "*Objects of the Issue*" on page 89 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, members of our Promoter group or our directors is debarred from accessing the capital markets by the SEBI.

2. None of our Promoters or Directors is Promoters or director of any other companies which are debarred from accessing the capital markets by the SEBI.

3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.

4. None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that:

1. In accordance with Regulation 246 the SEBI ICDR Regulations, the book running lead manager shall ensure that the issuer shall file copy of the Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Red Herring Prospectus to SEBI.

2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Issue has been one hundred percent (100%) underwritten and that the Book Running Lead Manager to the issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see "*General Information*" beginning on page 66 of this Draft Red Herring Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SHRENI SHARES LIMITED (FORMERLY KNOWN AS SHRENI SHARES PRIVATE LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME,

WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

Note: All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

DISCLAIMER CLAUSE OF THE BSE

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

DISCLAIMER FROM OUR COMPANY, THE DIRECTORS AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.technichemorganics.com , or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager 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 whatsoever including at road show presentations, in research or sales reports or at bidding centres elsewhere.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Shreni Shares Limited *(Formerly known as Shreni Shares Private Limited)* is not an associate of the Company and is eligible to be appointed as the Book Running Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Book Running Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform

himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE SME. Application have been made to the BSE SME for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its BSE SME after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Red Herring Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days of the Bid/Issue Closing Date or such period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% p. a, for the delayed period as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within Three (3) Working Days of the Issue Closing Date.

CONSENTS

Consents in writing of: (a) The Directors, the Promoters, the Chief Financial Officer, the Company Secretary & Compliance Officer, the Statutory Auditors and the Peer Review Auditors, (b) the Book Running Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Bankers to the Issue[(1)], Bankers to the Company, Syndicate Member[(1)], Market Maker[(1)] and Underwriters[(1)] to act in their respective capacities, have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013.

(1) The aforesaid will be appointed prior to filing of the Red Heering Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Heering Prospectus with RoC.

EXPERT OPINION

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received a written consent dated July 30, 2024 from our Peer Review Auditor, namely, M/s. Mundra & Co., Chartered Accountants, who hold a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Peer Review Auditor, and in respect of their (a) examination report dated July 19, 2024, on the Restated Financial Statements, and (b) report dated July 19, 2024 by the Peer Review Auditor on the statement of special tax benefits.

Further, our Company has received written consent dated July 31, 2024, from M/s. Mukund M. Patki, Independent Chartered Engineer, to include their name as required under Section 26 (5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert", as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certificates July 15, 2024, July 25, 2024 and July 25, 2024 certifying, inter alia, list of plant and machinery, necessary approvals as required for our proposed plant-4 and the capacity utilization details, respectively.

Such consent has not been withdrawn as on the date of this Draft Red herring Prospectus. However, the term "expert" and "consent" shall not be construed to mean an "expert" and "consent" as defined under the U.S. Securities Act.

PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public and public issues in the past, and we are an "Unlisted Company" in terms of the SEBI ICDR Regulations and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of our Company.

CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled "*Capital Structure*" on page 76 of Draft Red Herring Prospectus, our Company has not made any capital issue during the previous three years.

For details in relation to our group companies, please see chapter titled "Our Group Company" on page 186 of Draft Red Herring Prospectus. Except Khambhat Environ Care Association, we do not have any Group Company or Subsidiary or Associate as on date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled *"Capital Structure"* beginning on page 76 of this Draft Red Herring Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI ICDR Regulations and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

For details in relation to our group companies, please see chapter titled "Our Group Company" on page 186 of Draft Red Herring Prospectus. Except Khambhat Environ Care Association, we do not have any Group Company or Subsidiary or Associate as on date of this Draft Red Herring Prospectus.

PRICE INFORMATION OF THE PAST OFFERS HANDLED BY THE BOOK RUNNING LEAD MANAGER

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
Mainboard IPO Issues								
-	-	-	-	-	-	-	-	-
SME IPO Issues								
1.	Yash Optics & Lens Limited	53.15	81.00	April 08, 2024	90.00	+10.99% [-1.61%]	+43.70% [+7.31%]	-
2.	Refractory Shapes Limited	18.60	31.00	May 14, 2024	75.00	+546.61% [+4.97%]	+532.26% [+9.68%]	-
3.	Silkflex Polymers (India) Limited	18.11	52.00	May 15, 2024	60.00	+0.96% [+5.40%]	+66.63% [+9.67%]	-
4.	Quest Laboratories Limited	43.16	97.00	May 23, 2024	155.10	+63.56% [+2.32%]	+39.18% [+7.54%]	-
5.	GSM Foils Limited	11.01	32.00	May 31, 2024	32.00	+57.34% [+6.57%]	-	-
6.	Visaman Global Sales Limited	16.05	43.00	July 01, 2024	45.10	+0.00% [+2.96%]	-	-
7.	Effwa Infra & Research Limited	51.27	82.00	July 12, 2024	155.80	+312.01% [-0.55%]	-	-
8.	Prizor Viztech Limited	25.15	87.00	July 22, 2024	165.30	+82.53% [+0.77%]	-	-
9.	Dhariwalcorp Limited	25.15	106.00	August 08, 2024	150.00	-	-	-
10.	Picturepost Studios Limited	18.72	24.00	August 09, 2024	30.00	-	-	-

Source: www.bseindia.com / www.nseindia.com

Notes:

1. *The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.*
2. *Price on BSE/NSE are considered for all the above calculations.*
3. *In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.*
4. *In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.*
5. *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.*

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Summary statement of price information of past issues handled by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited):

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025[$]	10[&]	280.37	-	-	-	5	-	3	-	-	-	-	-	-

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%	Over 50%	Between 25%- 50%	Less than 25%
2023-2024	13***	260.67	-	-	-	6	6	1	-	-	2	6	3	2
2022-2023	10**	156.29	-	-	-	5	2	3	-	-	1	5	-	4

***The script of Fidel Softech Limited, SKP Bearing Industries Limited, Olatech Solutions Limited, Ameya Precision Engineers Limited, DAPS Advertising Limited, Amiable Logistics (India) Limited, PNGS Gargi Fashion Jewellery Limited, Arihant Academy Limited, Srivasavi Adhesive Tapes Limited and Bright Outdoor Media Limited were listed on June 10, 2022, July 13, 2022, August 29, 2022, September 08, 2022, November 14, 2022, November 16, 2022, December 20, 2022, December 29, 2022, March 09, 2023 and March 24, 2023 respectively.*

****The script of Sancode Technologies Limited, Veefin Solutions Limited, Global Pet Industries Limited, AccelerateBS India Limited, C P S Shapers Limited, Meson Valves India Limited, Marco Cables & Conductors Limited, KK Shah Hospitals Limited, Swasthik Plascon Limited, Net Avenue Technologies Limited, AIK Pipes and Polymers Limited, Delaplex Limited and Gabriel Pet Straps Limited were listed on April 18, 2023, July 05,2023, July 10, 2023, July 19, 2023, September 07, 2023, September 21, 2023, September 28, 2023, November 06, 2023, December 05, 2023, December 08, 2023, January 02, 2024, February 02, 2024 and February 07, 2024 respectively.*

[$]The script of Yash Optics & Lens Limited, Refractory Shapes Limited, Silkflex Polymers (India) Limited, Quest Laboratories Limited, GSM Foils Limited, Visaman Global Sales Limited, Effwa Infra & Research Limited, Prizor Viztech Limited, Dhariwalcorp Limited and Picturepost Studios Limited have not completed 180 days from the date of listing.

[&] The script of Yash Optics & Lens Limited, Refractory Shapes Limited, Silkflex Polymers (India) Limited, Quest Laboratories Limited, GSM Foils Limited, Visaman Global Sales Limited, Effwa Infra & Research Limited, Prizor Viztech Limited, Dhariwalcorp Limited and Picturepost Studios Limited were listed on April 08, 2024, May 14, 2024, May 15, 2024, May 23, 2024, May 31, 2024, July 01, 2024, July 12, 2024, July 22, 2024, August 08, 2024 and August 09, 2024 respectively.

***Note:** Rights Issues lead managed by Shreni Shares Limited (Formerly known as Shreni Shares Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*

TRACK RECORD OF PAST OFFERS HANDLED BY BOOK RUNNING LEAD MANAGER

For details regarding track record of the Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: www.shreni.in.

STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number,

Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding Two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding Two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public offers opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	**Compensation amount**	**Compensation period**
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked	From the date on which multiple amounts were blocked till the date of actual unblock

Scenario	Compensation amount	Compensation period
	amount except the original Bid Amount, whichever is higher	
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see "*General Information – Book Running Lead Manager*" on page 66 of this Draft red Herring Prospectus.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and Compliance officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has also appointed Mr. Thakkar Parth B, Company Secretary and Compliance officer for the Issue. For details, see "*General Information*" beginning on page 66 of this Draft red Herring Prospectus.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor compliant during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on July 19, 2024, has also constituted a Stakeholders' Relationship Committee. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Directors	Nature of Directorship	Designation in Committee
Ms. Anal Ruchir Desai	Non-Executive Independent Director	Chairman
Ms. Jaina Mehulbhai Mehta	Non-Executive Independent Director	Member
Mr. Anil Jayantilal Pandya	Whole Time Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page 167 of this Draft Red Herring Prospectus.

Our Company has also appointed Mr. Thakkar Parth B, as the Company Secretary and Compliance Officer for the Issue and he may be contacted at the Registered Office of our Company.

Mr. Thakkar Parth B
5th Floor, Malak Complex,
Behind Old Gujarat High Court,
Navrangpura, Ahmedabad – 380009,
Gujarat, India
Tel No.: +079-27543722
Email: investors@technichemorganics.com
Website: https://www.technichemorganics.com/

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

OTHER CONFIRMATIONS

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Bid-cum-Application forms. Investor may visit the official website of the concerned for any information on operational utilization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

AUTHORITY FOR THE ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on July 17, 2024 subjects to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra ordinary General Meeting of the Company held on July 17, 2024.

RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled *"Main Provisions of the Articles of Association"* beginning on page 317 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on page 187 and 317, respectively of this Draft Red Herring Prospectus.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi

national daily newspaper and [●] editions of [●], a Hindi daily newspaper (Hindi being the regional language of Madhya Pradesh, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;

2. Right to receive Annual Reports and notices to members;

3. Right to attend general meetings and exercise voting rights, unless prohibited by law;

4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;

5. Right to receive offers for rights shares and be allotted bonus shares, if announced;

6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;

7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and

8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "*Main Provisions of the Articles of Association*" beginning on page 317 of this Draft Red Herring Prospectus.

ALLOTMENT ONLY IN DEMATERIALISED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite agreement dated August 05, 2024 amongst our Company, CDSL and Bigshare Services Private Limited.
2. Tripartite agreement dated July 18, 2024 between our Company, NSDL and Bigshare Services Private Limited.

For details in relation to the Basis of Allotment, see *"Issue Procedure"* on page 292 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

JOINT HOLDERS

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

JURISDICTION

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which thepre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

The BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an Issue, our Company shall file a fresh Prospectus.

BID/ISSUE PROGRAM

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opens on	[●][(1)]
Bid/Issue Closes on	[●][(2)(3)]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Refunds / unblocking of funds from ASBA Account*	On or before [●]
Credit of Equity Shares to demat account of the Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

1. *Our Company in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*

2. *Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*

3. *UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. [●]*

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant*

shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors)

Bid Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Issue Closing Date	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

** UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date.*

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Issue, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, may extend the Bid/Issue Period for a minimum of one Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled *"General Information - Underwriting"* on page 66 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000/- (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre- Issue capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 76 of this Draft Red Herring Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 317 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered

with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

MIGRATION TO MAIN BOARD

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. BSE has reviewed its criteria for Migration of SME Companies to BSE Main Board dated November 24, 2023 vide notice no. 20231124-55 effective from January 01, 2024 as follows:

- **Paid up capital and market capitalization:** Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum Rs. 25 Crores. ***(Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)***

- **Promoter holding:** Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.

- **Financial Parameters:** The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediately preceding Financial Year of making the migration application to Exchange. The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years.

- **Track record of the company in terms of listing/ regulatory actions, etc:** The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.

- **Regulatory action**: No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals. No Debarment of company, promoters/promoter group, subsidiary company by SEBI. No Disqualification/Debarment of directors of the company by any regulatory authority. The applicant company has not received any winding up petition admitted by a NCLT.

- **Public Shareholder:** The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.

- **Other parameters like No. of shareholders, utilization of funds:** No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies. No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies. The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform. The applicant company has no pending investor complaints. Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.

Notes:

1. Net worth definition to be considered as per definition in SEBI ICDR.

2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.

3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.

4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.

5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange,

Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.

6. Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.

7. BSE decision w.r.t admission of securities for listing and trading is final.

8. BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.

9. The companies are required to submit documents and comply with the extant norms.

10. The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company.

MARKET MAKING

The shares issued through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled "*General Information*" beginning on page 66 of this Draft Red Herring Prospectus.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10 crores and up to ₹25 crores. The Company shall Issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the BSE SME). For further details regarding the salient features and terms of such an issue, please refer chapter titled *"Terms of the Issue"* and *"Issue Procedure"* beginning on page no. 279 and 292 respectively of this Draft Red Herring Prospectus.

ISSUE STRUCTURE

This Issue comprised of Initial Public Offering of up to 45,90,000 Equity Shares for Cash at an Issue Price of ₹ [●] per Equity Share. The Issue comprises a reservation of up to [●] Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (**"the Market Maker Reservation Portion"**) and Net Issue to Public of up to [●] Equity Shares of face value of ₹10/- each (**"the Net Issue"**). The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process.

Particulars	**Market Maker Reservation Portion**	**QIBs** [(1)]	**Non - Institutional Investors/Bidders**	**Retail Individual Investors/Bidders**
Number of Equity Shares available for allocation or allotment [(2)]	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of Issue Size available for Allocation	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment [(3)]	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares. For details, see "*Issue Procedure*" beginning on page 292 of this Draft Red Herring Prospectus.	Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see "*Issue Procedure*" beginning on page 292 of this Draft Red Herring Prospectus.

Particulars	Market Maker Reservation Portion	QIBs [1]	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) Up to 60% of QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Mode of Bid[7]	Only through ASBA Process	ASBA only except for Anchor Investors [4]	Only through ASBA Process	Through ASBA Process, Through Banks or by using UPI ID for payment
Mode of allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2.00 Lakhs	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2.00 Lakhs	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2.00 Lakhs
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Who can apply? [5]	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such

Particulars	Market Maker Reservation Portion	QIBs [(1)]	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	that the Bid amount does not exceed ₹2.00 Lakhs in value
Terms of Payment	**In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. **In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(6)]			

(1) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Issue for at least 25% of the post Issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI ICDR Regulations.

(3) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Anchor Investors are not permitted to use the ASBA process.

(5) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(6) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

(7) SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

The Bids by FPIs with certain structures as described under "*Issue Procedure*" on page 292 of this Draft Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see *"Terms of the Issue"* on page 279.

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015,the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications;(x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ***("UPI")*** *and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days.* ***("UPI Phase I")****. The UPI Phase I was effective until June 30, 2019.*

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ***("UPI Phase II")****. Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders* ***("UPI Phase III")*** *and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

The BRLMs shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Pursuant to SEBI circular

no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company and the BRLM, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, the Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229 (2) of Chapter IX of SEBI ICDR Regulations via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, and CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws. Phased implementation of UPI.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

Phase II: This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public Issue closure to listing has been reduced from six Working Days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the "UPI Streamlining Circular"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post- issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circular.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00 lakhs and up to ₹5.00 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 ("UPI Streamlining Circular"), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the BSE (www.bseindia.com), at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the

Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(a) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(b) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(c) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(d) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	**Colour of Bid cum Application form***
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors**	White

** Excluding electronic Bid cum Application Form.*

*** Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of BSE (www.bseindia.com).*

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s)

to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Issue Closing Date **("Cut-Off Time")**. Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

i. A standard cut-off time of 3.00 p.m. for acceptance of bids.

ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.

iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no.

SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries"):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4. A Depository Participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: ―Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;

3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

4. Mutual Funds registered with SEBI;

5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;

8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;

10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;

11. Foreign Venture Capital Investors registered with the SEBI;

12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;

15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

18. Insurance funds set up and managed by army, navy or air force of the Union of India;

19. Multilateral and bilateral development financial institution;

20. Eligible QFIs;

21. Insurance funds set up and managed by army, navy or air force of the Union of India;

22. Insurance funds set up and managed by the Department of Posts, India;

23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

24. Applications not to be made by:
    a) Minors (except through their Guardians)
    b) Partnership firms or their nominations
    c) Foreign Nationals (except NRIs)
    d) Overseas Corporate Bodies

ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

PARTICIPATION BY PROMOTERS, PROMOTER GROUP, THE BOOK RUNNING LEAD MANAGER, THE SYNDICATE MEMBERS AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP/THE BOOK RUNNING LEAD MANAGER

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Issue under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NON-RESIDENT INDIANS

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 316 of this Draft Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

BIDS BY FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered

as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post- Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form *"exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus."*

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "FPI Group") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "Banking Regulation Act"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone

basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time

BIDS BY ANCHOR INVESTORS

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs.

3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.

5) Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

   - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.

   - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and

   - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

9) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b)

the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021

3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

4. Ensure that you have Bid within the Price Band;

5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bi d cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

8. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party

9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;

10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through

UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;

23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

25. Ensure that the Demographic Details are updated, true and correct in all respects;

26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;

27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks Issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;

32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and

33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date.

34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

31. Do not Bid if you are an OCB;

32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.

34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see "*General Information*" beginning on page 66 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment post review by BRLM with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is

78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drwal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our Company proceeds to get the basis of allotment approved by the Stock Exchange.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liablefor any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS

Our Company in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of Non-Resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Madhya Pradesh where our Registered Office is located) each with wide circulation.

In the pre- Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] and [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Madhya Pradesh, where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND FILING WITH THE ROC

Our company has entered into an Underwriting Agreement dated [●].

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see *"Terms of the Issue"* on page 279 of this Draft Red Herring Prospectus.

IMPERSONATION

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Issue Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoters' contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;

UTILISATION OF ISSUE PROCEEDS

Our Company, severally and not jointly, specifically confirm that all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

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RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI policy, FDI in companies engaged in the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "*Issue Procedure*" on page 292 of this Draft Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

THE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION#

OF

TECHNICHEM ORGANICS LIMITED

1. (1)	The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	Table 'F' not to apply
(2)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	Company to be governed by these Articles
Definitions and Interpretation		
2. (1)	In these Articles –	
	(a) "**Act**" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	"Act"
	(b) "**Applicable Laws**" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, bye-laws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time	"Applicable Laws"
	(c) "**Articles**" means these articles of association of the Company or as altered from time to time.	"Articles"

Amended, restated and adopted new set of articles vide special resolution passed by the members at the Extra-ordinary General Meeting held on 30th April, 2024

	(d) **"Beneficial Owner"** - shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996	"Beneficial Owner"
	(e) "**Board of Directors**" or "**Board**", means the collective body of the Directors of the Company nominated and appointed from time to time in accordance with Articles 84 to 90, herein, as may be applicable.	"Board of Directors" or "Board"
	(f) **"Bye-laws"** means the Bye-laws which may be made by the Board of Directors of the Company under these Articles and which may for the time being be in force	"Bye-laws"
	(g) "**Company**" means **Technichem Organics Limited**	"Company"
	(h) **"Depositories Act, 1996"** shall include statutory modifications or re-enactment thereof	"Depositories Act"
	(i) **"Depository"** shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996	"Depository"

	(j) **"Executor"** or **"Administrator"** means a person who has obtained Probate or Letter of Administration, as the case may be, from a Competent Court	"Executor" or "Administrator"
	(k) **"Group"** means a group of two or more individuals, associations, firms or bodies corporate, or any combination thereof, which exercises or is in a position to exercise, or has the subject of exercising, control over any individual, body corporate, firm or trust	"Group"
	(l) "**Lien**" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy	"Lien"
	(m) "**Memorandum**" means the memorandum of association of the Company or as altered from time to time.	"Memorandum"
	(n) **"Postal Ballot"** means voting by post or through any electronic mode	"Postal Ballot"
	(o) "**Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"
	(p) **"SEBI"** means the Securities and Exchange Board of India.	"SEBI"
	(q) **"Tribunal"** means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013.	"Tribunal"
(2)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.	"Number" and "Gender"
(3)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	Expressions in the Articles to bear the same meaning as in the Act
Articles to be contemporary in nature		
3.	The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.	Articles to be contemporary in nature
Share capital and variation of rights		
4.	The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in Clause V of Memorandum of Association with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.	Authorized share capital
5.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit provided that the option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Shares under control of Board
6.	Subject to the provisions of the Act, these Articles and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for	Board may allot shares otherwise than for cash

	cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	
7.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws: (a) Equity Share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital	Kinds of share capital
8.	(a) Notwithstanding anything to the contrary contained in these Articles, the Company shall be entitled to dematerialize and rematerialize its existing shares, debentures and other securities and/or to offer its fresh shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any, and the register and index of beneficial owners maintained by the relevant Depository under section 11 of the Depositories Act, 1996, shall be deemed to be the corresponding register and index maintained by the Company. (b) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in sections 89 and 112 and such other applicable provisions of the Companies Act, 2013 shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners. (c) (i) Notwithstanding anything to the contrary contained in the Companies Act, 2013 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of securities on behalf of the beneficial owner. (ii) Save and otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it. (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all liabilities in respect of the securities held by a Depository on behalf of the beneficial owner. (d) Notwithstanding anything contained in the Companies Act, 2013 or these Articles to the contrary, where securities are held with a Depository the records of the beneficial ownership may be served by such Depository on the Company by means of registered post or by speed post or by courier service or by leaving it at its Registered Office or by means of such electronic or other mode as may be prescribed. (e) Nothing contained in Section 56 of the Companies Act, 2013, or these Articles shall apply to transfer of securities issued by the Company, effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository. (f) Notwithstanding anything contained in Section 56 of the Companies Act, 2013 or these Articles, where securities issued by the Company are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities. (g) Nothing contained in Section 56 of the Companies Act, 2013 or these Articles regarding the necessity of having distinctive numbers for	Dematerialization

	securities issued by the Company, shall apply to securities held with a Depository.	
9. (1)	Unless the shares have been issued in dematerialized form, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall provide – (a) one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of Rupees Twenty for each certificate or such charges as may be fixed by the Board for each certificate after the first.	Issue of certificate
(2)	The Board of Directors may refuse applications for subdivision of Share Certificate into denominations of less than the marketable lot for the time being in force, except when such subdivision is required to be made to comply with a statutory order or an order of a competent court of law or to remedy a genuine mistake of fact or law. PROVIDED THAT the Directors may, at their discretion, in case of genuine needs, allow sub-division of share certificates in denomination of less than the marketable lots, and may, if necessary, require production of suitable documentary evidence therefore.	Sub-division of Shares
(3)	In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to the person first named on the register of members shall be sufficient delivery to all such holders.	Issue of share certificate in case of joint holding
(4)	Every certificate shall specify the shares to which it relates, distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.	Option to receive share certificate or hold shares with depository
10.	Subject to the applicable laws, a person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium.	Option to receive share certificate or hold shares with depository
11.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.	Issue of new certificate in place of one defaced, lost or destroyed

	Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.	
12.	Except as required by Applicable Laws, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law of such a member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.	Company not bound to recognize any interest in share other than of Registered Holder
13.	Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.	Terms of issue of debentures and other securities
14.	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
15. (1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	Power to pay commission in connection with securities issued
(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
(3)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
16. (1)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.	Provisions as to general meetings to apply *mutatis mutandis* to each Meeting
17.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
18.	Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares

19.	Subject to the applicable provisions of the Companies Act, 2013, the Company shall have the power to issue, offer and allot Equity Warrants on such terms and conditions as may be deemed fit by the Board of Directors.	Equity Warrants at disposal
20. (1)	Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered: (a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions: i. the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; ii. the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and iii. after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or (b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or (c) to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder. The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue. The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act and regulations prescribed by SEBI in this regard from time to time.	Further issue of share capital
(2)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.	
(3)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
21.	The Board, or a Committee of the Board authorized for this purpose by the Board, may, subject to the provisions of law, issue, grant and allot to	Issue of Employees Stock Options and Shares

	employees of the Company stock options, equity shares or other securities, cashless options, stock appreciation rights, phantom options or any variant options, shares, rights or securities under any scheme of Employees Stock Options and Shares or other Schemes. Without prejudice to the generality of the foregoing and in particular: i) Employees shall for this purpose include Directors of the Company, whether whole-time or not and such other persons to whom such stock options, etc. can be issued under law but excluding such persons who cannot be issued stock options under applicable law; ii) The issue of securities may be under a cashless scheme of options; iii) Loans may be granted, directly or indirectly, or guarantee/security be provided to any person so granting such loan, to the proposed allottees of securities for acquiring the securities; iv) The Company may set up a Trust for the purpose of administration of any of such Schemes and to which such stock options, etc. maybe granted and in respect of which loans/guarantees/security maybe given. The Company may also issue such stock options, etc. to any other person in any manner subject to applicable law.	
Lien		
22. (1)	The fully paid shares will be free from all Lien, however, Company shall have a first and paramount Lien – (a) on every share (not being a fully paid share) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares.	Company's lien on shares
(2)	The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien.	Waiver of Lien in case of registration
23.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: Provided that no sale shall be made- (a) unless a sum in respect of which the Lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing Lien by sale

24.	(1)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Validity of sale
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
	(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale	Purchaser not affected
25.	(1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the Lien exists as is presently payable.	Application of proceeds of sale
	(2)	The residue, if any, shall, subject to a like Lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
26.		The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to Lien to apply mutatis mutandis to debentures, etc.
		Calls on shares	
27.	(1)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the preceding call	Board may make Calls
	(2)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	(3)	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
28.		A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
29.		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
30.	(1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
	(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
31.	(1)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of nonpayment of sums

32.	The Board: (a) may, if it thinks fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends subsequently declared or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Directors may at any time repay the amount so advanced.	Payment in anticipation of calls may carry interest
33.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
34.	All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
35.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
	Transfer of shares	
36. (1)	A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.	Instrument of transfer to be executed by transferor and transferee
(2)	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	
37.	The Board may, subject to the right of appeal conferred by the section 58 of the Act and other applicable provisions of the Act or any other law for the time being in force, decline to register the transfer or the transmission by operation of law of the right to– (a) any share, not being a fully paid share, to a person of whom they do not approve; or (b) any shares on which the Company has a Lien. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.	Board may refuse to register transfer
38.	The Board may decline to recognize any instrument of transfer unless-	Board may decline to recognize instrument of transfer

	(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
39.	The Board of Directors may, after giving not less than seven days' previous notice by advertisement as required by Section 91 of the Companies Act, 2013 or such lesser period as may be specified by the Securities Exchange Board of India close the Transfer Books, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year as it may seem expedient to the Board.	Transfer of shares when suspended
40.	Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.	Notice of refusal to register transfer
41.	The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc.
	Transmission of shares	
42. (1)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.	Title to shares on death of a member
(2)	Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Estate of deceased member liable
43. (1)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.	Transmission Clause

(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
44. (1)	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.	Right to election of holder of share
(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
(3)	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	Limitations applicable to notice
45.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
46.	The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company	Provisions as to transmission to apply mutatis mutandis to debentures, etc.
47.	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document	No fee for transfer or transmission
Forfeiture of shares		
48.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
49.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of Notice
50.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeited
51.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.	Entry of forfeiture in register of members

52.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
53. (1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
54. (1)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
(2)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cesser of liability
55. (1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
56.	Upon any sale after forfeiture or for enforcing a Lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
58.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
59.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
60.	The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.
Alteration of capital		
61.	Subject to the provisions of the Act, the Company may, by ordinary resolution -	Power to alter share capital

	(a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
62.	Where shares are converted into stock: (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "**share**" and "**shareholder**"/ "**member**" shall include "**stock**" and "**stock-holder**" respectively.	Right of stockholders
63.	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, - (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	Reduction of capital
64.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint holders
	(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders

	(b)	On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holders
	(c)	Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one Sufficient
	(d)	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	(e)	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
	(f)	Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrators as joint holders
	(g)	The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.
Capitalization of profits			
65. (1)		The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	Capitalization
(2)		The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: (a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).	Sum how applied
(3)		A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
(4)		The Board shall give effect to the resolution passed by the Company in pursuance of these Article.	

66. (1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall - (a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and (b) generally do all acts and things required to give effect thereto.	Powers of the Board for capitalization
(2)	The Board shall have power - (a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	Board's power to issue fractional certificate/ coupon etc.
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
	Buy-back of shares	
67.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Laws for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
	General meetings	
68.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
69.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
	Proceedings at general meetings	
70.	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
71.	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
72.	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
73.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
74.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
75. (1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –	Certain matters not to be included in Minutes

	(a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	
(3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to Minutes
(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be Evidence
76. (1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: a. be kept at the registered office of the Company; and b. be open to inspection of any member without charge, during business hours on all working days.	Inspection of minute books of general meeting
(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
Adjournment of meeting		
77. (1)	The Chairperson may, *suo motu*, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
(3)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Notice of adjourned meeting
(4)	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of adjourned meeting not required
Voting rights		
78.	Subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up Equity Share capital of the company.	Entitlement to vote on show of hands and on poll
79.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
80. (1)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	Vote of joint holders
(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
81.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members non compos mentis and minor may vote
82.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
83.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of Lien.	Restriction on voting rights

84.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
	Proxy	
85. (1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
(2)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
86.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
87.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
	Board of Directors	
88.	Until otherwise determined by a general meeting of the Company and subject to the provisions of Section149 and 152 of the Companies Act, 2013, the number of Directors shall not be less than 3 and not more than 15 and the manner of constituting the Board shall be as prescribed under the Act and as may be directed by the Securities and Exchange Board of India. The First Directors of the Company are: **1. Bharat J. Pandya** **2. Anil J. Pandya**	Board of Directors
89.	The Directors shall not be required to hold any qualification shares in the Company.	
89A (1)	The Board of Directors shall appoint the Chairperson of the Company. The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company.	Chairperson and Managing Director
(2)	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
90. (1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
(2)	The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent
(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Travelling and other expenses
(4)	The remuneration payable to a non-whole-time-Director for attending each meeting of the Board or a Committee thereof in addition to his traveling, boarding and lodging and other expenses incurred shall be such sum as may	Sitting Fees

	be fixed by the Board of Directors not exceeding the maximum as may be prescribed by the Act (and the rules made thereunder), SEBI, or by the Central Government. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine; and in default of such determination shall be divided among the Directors equally.	
APPOINTMENT AND REMUNERATION OF DIRECTORS		
91.	Subject to the provisions of the Act and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act.	Appointment
92.	Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board.	Independent Director
93.	Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.	Remuneration
94.	Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director	Payment for Extra Service
95.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable instruments
96. (1)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
(2)	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
97. (1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director

98.	Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to (i) the Life Insurance Corporation of India (LIC), (ii) the Infrastructure Development Finance Company Limited, (iii) specified Company referred to in the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002, (iv) institutions notified by the Central Government under sub-section (2) of Section 4A of the Companies Act, 1956, (v) such other institutions as may be notified by the Central Government in consultation with the Reserve Bank of India, or (vi) any other bank or entity providing financing facilities to the Company (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/ debentures assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time (which Director or Directors, is/ are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company. The Nominee Director/s so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall, ipso facto, vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Nominee Director/s. PROVIDED THAT if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall	Nominee Director

	also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that in the event of any remuneration payable to the Nominee Director/s, by way of commission, salary or perquisites (other than sitting fees and reimbursement of actual expenses incurred by them in attending to Company's work) such remuneration shall be paid only with the prior approval of the Central Government under Section 309/310 of the Companies Act, 1956. PROVIDED FURTHER THAT in the event of the Nominee Director/s being appointed as Managing Director/Whole Time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Whole Time Director in the management of the affairs of the Company. Such Whole Time Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation. PROVIDED FURTHER THAT the appointment of Nominee Director/s as Managing/Whole Time Director/s, as aforesaid, is subject to the provisions of Sections 203 and 197 of the Companies Act, 2013 and any other applicable provisions of the Act and the rules made thereunder.	
99. (1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
(2)	The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
Powers of Board		
100.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
Proceedings of the Board		
101. (1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Provided, that the Board of Directors shall hold meetings at least once in every three months and at least four times every calendar year.	When meeting to be convened
(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Board meetings
(5)	At least 7 (seven) Days' written notice shall be given in writing to every Director by hand delivery or by speed-post or by registered post or by facsimile or by email or by any other electronic means, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable,	Notice of Board meetings

	to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors.	
102. (1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
103.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
104. (1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting	Directors to elect a Chairperson
105. (1)	Pursuant to the Applicable Sections of the Companies Act, 2013, Rules framed there under, Listing Agreement, and various SEBI laws, rules, regulations, notifications, circulars, etc. published/issued from time to time in this regard, the Board of Directors shall constitute Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stake holders Relationship Committee and any other committees as required under the extant laws. Furthermore, the Board of Directors may constitute such other committees as Board of Directors thinks proper.	Board to constitute committees.
(2)	The Committees of Board of Directors shall exercise powers, functions and discharge duties as assign to it pursuant to the Companies Act, 2013, Rules framed there under, Listing Agreement, Secretarial Standards and various SEBI laws, rules, regulations, notifications, circulars etc. issued from time to time in this regard. Apart to statutory duties, functions, the Committees may also discharge the duties, perform functions as assigned to it by the Board of Directors of the Company.	Committee to conform to Board regulations
(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Committee meetings
106. (1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
107. (1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
108.	All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had	Acts of Board or Committee valid notwithstanding defect of appointment

	terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
109.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by Circulation
	Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer	
110. (1)	Subject to the provisions of the Act, - A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
(2)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
	Registers	
111.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
112. (1)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
(2)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
	Seal	
113.	The Company does not have a Seal and is not required to have the same. Hence, the provisions relating to Seal are not applicable to the Company	Provisions of seal not to be applicable
	Dividends and Reserve	
114.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
115.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
115A.	Subject to the provisions of the Act, the Board may from time to time pay to the members such special dividends of such amount on such class of shares and at such times as it may think fit.	Special dividends
116. (1)	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in	Dividends only to be paid out of profits

	the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	
(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
117. (1)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned
118. (1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
119. (1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
120.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
121.	No dividend shall bear interest against the Company.	No interest on dividends
122.	The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
UNPAID OR UNCLAIMED DIVIDEND		
123. (1)	Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank subject to the applicable provisions of the Act and the Rules made thereunder.	Transfer of unclaimed dividend
(2)	The Company shall, within a period of ninety days of making any transfer of an amount, as stated above to the unpaid dividend account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the	Transfer to IEPF Account

	Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed. If any default is made in transferring the total amount referred to in sub-article (1) or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the company in proportion to the amount remaining unpaid to them. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed. All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.	
(3)	No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.	Forfeiture of unclaimed dividend
	Accounts	
124. (1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by Applicable Laws or authorized by the Board.	Restriction on inspection by members
	Winding up	
125.	Subject to the applicable provisions of the Act and the Rules made thereunder –	Winding up of Company
(1)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
(2)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
(3)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	Indemnity and Insurance	
126. (1)	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity

(2)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any	

	liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	
(3)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
	Secrecy	
127.	Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	
	Borrowing Powers	
128.	Subject to the provisions of the Act and these Articles, the Board may from time to time, at its own discretion, borrow monies by passing a resolution at meetings of the Board; provided however, that if the monies to be borrowed, together with the money already borrowed by the Company exceeds the aggregate of the paid-up share capital, free reserves and securities premium of the Company, then such borrowing must be approved by way a special resolution in accordance with the provisions of the Act.	Power of the Board to borrow monies
	General Power	
129.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.	General power
	Service of Documents	
130. (1)	A document or notice may be served by the Company on any member thereof either personally or by sending it by registered post or by speed post or by courier service or by leaving it at his registered address or if he has no registered address in India, to the address if any, within India supplied by him to the Company for serving documents or notice on him or by means of such electronic or other mode as may be prescribed.	Service of documents or notices on members by the Company
(2)	A document or notice advertised in a newspaper circulating in the neighborhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.	
(3)	A document or notice may be served by the Company on the joint holders of a share by serving it on the joint holder named first in the Register in respect of the share.	

(4)	A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter, addressed to them by name or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.	
(5)	The signature to any document or notice to be given by the Company may be written or printed or lithographed.	
131.	Document or notice of every general meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 93 a statement of material facts referred to in Article 93 need not be annexed to the notice, as is required by that Article, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.	To whom documents must be served or given
132.	Every person who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or give to the person from whom he derived his title to such share.	Members bound by documents or notices served on or given to previous holders
133.	A document may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by Registered Post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed: PROVIDED THAT where securities are held with a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic or other mode.	Service of documents on Company
134.	Save as provided in the Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on the Registrar or any member by sending it to him at his office by post or by Registered Post or by speed post or by courier or delivering it to or leaving it for him at his office, or by such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its annual general meeting. The term ‘‘courier’’ means a person or agency which delivers the document and provides proof of its delivery.	Service of documents by Company on the Registrar
135.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company or contracts made on behalf of the Company may be signed by any key managerial personnel or other officer of the Company duly authorised by the Board of the Company	Authentication of documents and proceedings

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Issue Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Issue Closing Date (except for such agreements executed after the Bid/ Issue Closing Date).

MATERIAL CONTRACTS

1. Issue Agreement dated July 30, 2024 between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated July 30, 2024 between our Company and the Registrar to the Issue.

3. Banker to the Issue agreement dated [●] between our Company, Book Running Lead Manager, Registrar to the Issue and Public Issue Bank/refund Bank/Sponsor bank.

4. Market Making Agreement dated [●] between our Company and the Book Running Lead Manager and Market Maker.

5. Underwriting Agreement dated [●] between our Company and Book Running Lead Manager and the Underwriter.

6. Syndicate Agreement dated [●] amongst our Company, the Book Running Lead Manager, and Syndicate Members.

7. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated August 05, 2024.

8. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated July 18, 2024.

MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Copy of Certificate of Incorporation dated February 27, 1996, issued under the name *Technichem Organics Private Limited*, issued by Registrar of Companies, Gujarat.

3. Copy of Fresh Certificate of Incorporation dated July 04, 2024, issued by Centralised Processing Centre, consequent to name change from *Technichem Organics Private Limited* to *Technichem Organics Limited* pursuant to the conversion of our Company into a Public Limited Company.

4. Resolution of the Board of Directors dated July 17, 2024 in relation to the Issue.

5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on July 17, 2024 in relation to the Issue.

6. Examination report for Restated Financial Statements dated July 19, 2024 from our Peer Review Auditor included in this Draft Red Herring Prospectus.

7. The Statement of Possible Tax Benefits dated July 19, 2024 from our Peer Review Auditor included in this Draft Red Herring Prospectus.

8. Copies of Audited Financial Statements of the Company for the financial year ended March 31, 2024, 2023, and 2022.

9. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor, Chartered Engineer, Peer Review Auditor, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, *Banker to the Issue, *Syndicate Member, *Underwriter and *Market Maker to act in their respective capacities.

10. Certificate on KPI's issued by M/s. Mundra & Co. Chartered Accountants, by way of their certificate dated August 08, 2024.

11. Board Resolution dated August 23, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus.

12. Due Diligence Certificate dated [●] to SEBI by the Book Running Lead Manager.

13. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus 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 the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**The aforesaid will be appointed prior to filing of the Red Heering Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Heering Prospectus with RoC.*

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- **Mr. Bharat Jayantilal Pandya** Chairman & Managing Director **DIN:** 00921775	Sd/- **Mr. Pandya Anilkumar Jayantilal** Whole Time Director **DIN:** 00921815
Sd/- **Mr. Piyush Maganlal Nathwani** Whole Time Director **DIN:** 07112017	Sd/- **Ms. Anal Ruchir Desai** Non-Executive Independent Director **DIN:** 02636329
Sd/- **Mr. Utsav Milan Shah** Non-Executive Independent Director **DIN:** 07828652	Sd/- **Ms. Jaina Mehulbhai Mehta** Non-Executive Independent Director **DIN:** 08573437

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- **Mr. Narayansingh Jaisingh Deora** Chief Financial Officer	Sd/- **Mr. Thakkar Parth B** Company Secretary and Compliance Officer

Date: August 23, 2024
Place: Ahmedabad