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KRONOX

KRONOX LAB SCIENCES LIMITED

CORPORATE IDENTITY NUMBER: U24117GJ2008PLC055460

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE	
Block No. 353, Village Ekalbara, Padra, Vadodara 391 440, Gujarat, India	Block No. 284, Village Dabhasa, Padra, Vadodara 391 440, Gujarat, India	Nikhil Goswami, Company Secretary and Compliance Officer	Tel: +91 26 6224 4077/88 E-mail: cs@kronoxlabsciences.com	www.kronoxlabsciences.com	
OUR PROMOTERS: JOGINDERSINGH JASWAL, KETAN RAMANI AND PRITESH RAMANI					
DETAILS OF OFFER TO PUBLIC					
Type	Fresh Issue	Offer for Sale	Total Offer Size	Eligibility	
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹ 450.00 million	Up to 78,00,000 Equity Shares aggregating up to ₹ [●] million	Up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors, Retail Individual Investors see "Offer Structure" on page 313.	
OFFER FOR SALE					
Name of Selling Shareholder	Category of shareholder	Number of Equity Shares offered / amount (in million)	Weighted Average cost of acquisition (in ₹ per Equity Share)*		
Jogindersingh Jaswal	Promoter	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million	NA		
Ketan Ramani	Promoter	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million	NA		
Pritesh Ramani	Promoter	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million	NA		
*As certified by the M/s. Mahesh Udhvani & Associates, Chartered Accountants pursuant to their certificate dated November 22, 2023.					
RISK IN RELATION TO THE FIRST OFFER					
This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price and Cap Price determined by our Company and Promoter Selling Shareholders in consultation with the BRLM 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 the Offer Price" on page 83 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing					
GENERAL RISK					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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" beginning on page 30.					
OUR COMPANY'S AND SELLING SHAREHOLDER'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 Offer, which is material in the context of the Offer, 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. Further, Promoter Selling Shareholders accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.					
LISTING					
The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being NSE and BSE. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013.					
DETAILS OF BOOK RUNNING LEAD MANAGER					
Logo	Name	Contact Person	Telephone	Email	
	Pantomath Capital Advisors Private Limited	Ritu Agarwal / Ashish Baid	+91 22 6194 6700	kronox.ipo@pantomathgroup.com	
DETAILS OF REGISTRAR TO THE OFFER					
Logo	Name	Contact Person	Telephone	Email	
	KFin Technologies Limited	M. Murali Krishna	+91 40 6716 2222	klsl.ipo@kfintech.com	
BID/ OFFER PERIOD					
ANCHOR INVESTOR BID/ OFFER PERIOD	[●]*	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSURES ON#	[●]**

*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working

**Our Company and Promoter Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

#UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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KRONOX LAB SCIENCES LIMITED

Our Company was incorporated on November 18, 2008 as 'Kronox Lab Sciences Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 18, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders at an extra-ordinary general meeting held on May 25, 2019 and a fresh certificate of incorporation dated June 11, 2019 was issued by the Registrar of Companies, Ahmedabad consequent upon conversion, recording the change in the name of our Company to 'Kronox Lab Sciences Limited'. For further details on the changes in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 186.

Registered Office: Block No.353, Village Ekalbara, Padra, Vadodara 391 440, Gujarat, India; **Tel:** +91 26 6224 4077/88. **Corporate Office:** Block No.284, Village Ekalbara, Padra, Vadodara 391 440, Gujarat, India; **Contact Person:** Nikhil Goswami, Company Secretary and Compliance Officer, **E-mail:** cs@kronoxlabsciences.com.

Website: www.kronoxlabsciences.com; **Corporate Identity Number:** U24117GJ2008PLC055460

OUR PROMOTERS: JOGINDERSINGH JASWAL, KETAN RAMANI AND PRITESH RAMANI

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF KRONOX LAB SCIENCES LIMITED ("OUR COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 450.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 26,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY JOGINDERSINGH JASWAL, UP TO 26,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY KETAN RAMANI AND UP TO 26,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY PRITESH RAMANI (COLLECTIVELY, "PROMOTER SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE BY THE PROMOTER SELLING SHAREHOLDERS, "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN [●] EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, [●] EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITION OF [●], A GUJARATI NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE AND CORPORATE OFFICE IS LOCATED, WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and Promoter Selling Shareholders may, in consultation with Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and 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 Designated Intermediaries and the Sponsor Bank, as applicable.

The Offer is being made through the Book Building process in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (the "QIBs" and such portion, "QIB Portion"), provided that our Company and Promoter Selling Shareholders, in consultation with the BRLM, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"). 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 price at which allocation is made to Anchor Investors. 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 Anchor Investor Portion) ("Net 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 Net 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 Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% 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, (a) not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders (out of which one third shall be reserved for Bidders with Bids exceeding ₹ 2,00,000 and up to ₹ 10,00,000 and two-thirds shall be reserved for Bidders with Bids exceeding ₹ 10,00,000) and (b) not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (defined hereinafter), which will be blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Bank(s), as the case may be, to the extent of their respective Bid Amounts. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "Offer Procedure" on page 317.

RISK IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹ 10. The Offer Price, Floor Price and Cap Price determined by our Company and Promoter Selling Shareholders in consultation with the BRLM 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 the Offer Price" on page 83 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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" beginning on page 30.

OUR COMPANY'S AND SELLING SHAREHOLDER'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 Offer, which is material in the context of the Offer, 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. Further, Promoter Selling Shareholders accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, please see "Material Contracts and Documents for Inspection" beginning on page 370.

BOOK RUNNING LEAD MANAGER



Pantomath Capital Advisors Private Limited
Pantomath Nucleus House, Saki Vihar Road,
Andheri East, Mumbai - 400072
Maharashtra, India
Tel: +91 22 6194 6700
E-mail: kronox.ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Investor grievance e-mail: ipo@pantomathgroup.com
Contact Person: Ritu Agarwal / Ashish Baid
SEBI Registration No.: INM000012110

REGISTRAR TO THE OFFER



KFin Technologies Limited
Selenium Tower B, Plot No. 31-32,
Gachibowli Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032,
Telangana, India
Telephone: +91 40 6716 2222/ 1800 309 4001
Email: kls.ipo@kfintech.com
Investor grievance email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221

BID/OFFER PROGRAMME

BID / OFFER OPENS ON	[●]*
BID / OFFER CLOSES ON[#]	[●]**

*Our Company and Promoter Selling Shareholders may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

**Our Company and Promoter Selling Shareholders may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

[#]UPI mandate end time and date shall be at 5:00 pm on the Bid/offer Closing Date.

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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, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, 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 same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Regulations and Policies”, “Statement of Possible Tax Benefits”, “Financial Information”, “Basis for Offer Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 93, 182, 91, 214, 83, 288 and 339, respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
Our Company/ the Company/ Issuer/ Issuer Company	Kronox Lab Sciences Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office located at Block No. 353, Village Ekalbara, Padra, Vadodara 391 440, Gujarat, India and Corporate Office located at Block No. 284, Village Dabhasa, Padra, Vadodara 391 440, Gujarat, India
We/ us/ our	Unless the context otherwise indicates or implies, refers to our Company

Company and Promoter Selling Shareholders related terms

Term	Description
AoA /Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board</i> ” on page 196
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being, Mahesh Udhvani & Associates, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company, as described in “ <i>Our Management</i> ”, beginning on page 189
CareEdge Report	Report titled ‘ <i>Report on Speciality Fine Chemicals Industry</i> ’ dated November 2023 prepared by CARE Analytics and Advisory Private Limited
Chairman and Managing Director	The chairman and managing director of the Company, being Jogindersingh Jaswal
Chief Financial Officer/CFO	Chief financial officer of our Company, being Samir Gadhiya
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Nikhil Goswami
Corporate Office	The Corporate Office of our Company located at Block No. 284, Village Dabhasa, Padra, Vadodara 391 440, Gujarat, India
CSR Committee/ Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in “ <i>Our Management – Committees of our Board</i> ” on page 196
Director(s)	Directors on our Board as described in “ <i>Our Management</i> ”, beginning on page 189
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.

Term	Description
Executive Director(s)	Executive Directors shall include Managing Director and Whole-time Directors(s) on our Board, as described in “ <i>Our Management</i> ”, beginning on page 189
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please see “ <i>Our Management</i> ” on page 189
IPO Committee	IPO committee of the Board of Directors, being Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management</i> ” on page 189
Managing Director	The managing director of our Company, being Jogindersingh Jaswal
Materiality Policy	The policy adopted by our Board in its meeting held on November 1, 2023, for identification of material: (a) outstanding litigation proceedings; (b) creditors; and (c) group companies, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
Manufacturing Facilities	Collectively, Unit I, Unit II and Unit III
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board</i> ” on page 196
Promoter Group	Such individuals and entities which constituting the promoter group of our Company, pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 208
Promoters	The Promoters of our Company, being Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani. For further details, please see “ <i>Our Promoters and Promoter Group</i> ” on page 208
Registered Office	The registered office of our Company, located at Block No. 353, Village Ekalbara, Padra, Vadodara 391 440, Gujarat, India
Restated Financial Statements/ Restated Financial Information	The restated financial statement of our Company comprises of the restated financial Statements of our Company, which comprise of the restated summary statement of assets and liabilities as at three months period ended June 30, 2023 and as at March 31, 2023, March 31, 2022 and March 31, 2021, the restated summary statements of profit and loss (including other comprehensive income), the restated summary statement of cash flows and the restated statement of changes in equity for three months period ended June 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, read together with summary statement of significant accounting policies, annexures and notes thereto prepared in accordance with Ind AS and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
RoC/Registrar of Companies	The Registrar of Companies, Ahmedabad
Promoter Selling Shareholders/ Selling Shareholders	The Promoters of our Company namely, Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani
Senior Management Personnel	Senior Management Personnel of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as further disclosed in “ <i>Our Management</i> ” on page 189
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board</i> ”

Term	Description
	on page 196
Whole-time Director(s)	The whole-time director(s) of our Company, being Ketan Ramani and Pritesh Ramani
Unit I	Unit I of our Company located at Block No. 284, Village - Dabhasa, Ta- Padra, Dist- Vadodara, 391 440, Gujarat, India
Unit II	Unit II of our Company located at Block No. 138, Village - Ekalbara, Ta- Padra, Dist- Vadodara, 391 440, Gujarat, India
Unit III	Unit III of our Company located at Block No. 353, Village - Ekalbara, Ta- Padra, Dist- Vadodara, 391 440, Gujarat, India

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Offer to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have bid in the Offer after approval of the Basis of Allotment by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and Promoter Selling Shareholder in consultation with the BRLM.
Anchor Investor Application Form	The application form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLM.
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 Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and Promoter Selling Shareholders in consultation with the BRLM to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out 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 accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is

Term	Description
	blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” beginning on page 317
Bid	An indication to make an offer during the Bid/Offer 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 Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer 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, which shall be published in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office is located, each with wide circulation. In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations Our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, being

Term	Description
	[●], which shall be published in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office is located, each with wide circulation.
Bid/ Offer Period	<p>Except in relation to Bid by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer 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 in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager considers closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days</p>
Book Building Process	Book building process as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Manager/ BRLM	The book running lead manager to the Offer, being Pantomath Capital Advisors Private Limited.
Broker Centres	Broker centres notified by 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 the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
CAN/Confirmation of Allocation Note	Notice or advice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into and amongst our Company the Registrar to the Offer, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Offer Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for inter alia, the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Circular on Streamlining of Public Offers/ UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, and the 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, the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, 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, 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 May 30, 2022 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

Term	Description
	by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	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 the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of the Stock Exchanges.
Cut-off Price	The Offer Price, as finalised by our Company in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, PAN, DP ID, Client ID and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. 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 Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
Designated SCSB branches	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Designated RTA Locations	Such locations of the RTAs where Bidders (other than Anchor Investors) can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated November 24, 2023 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer and including any addenda or corrigenda thereto

Term	Description
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an Offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, on a non-repatriation basis, from jurisdiction outside India where it is not unlawful to make an issue or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an Offer under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, i.e. ₹ [●] subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
Fresh Issue	Fresh issue of up to [●] Equity Shares aggregating up to ₹ 450.00 million by our Company.
General Information Document / GID	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of Stock Exchanges and the Book Running Lead Manager
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
Minimum Promoters Contribution	Aggregate of 20% of the fully diluted post-Offer equity share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoter that shall be locked-in for a period of 18 months from the date of Allotment. For details regarding the Minimum Promoters' Contribution, see "Capital Structure" beginning on page 64
Monitoring Agency Agreement	Agreement to be entered into between our Company and the Monitoring Agency
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=43 or such other website as may be updated from time to time, which may be used by Bidders to submit Bids using the UPI Mechanism
Mutual Fund	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the offer Price
Net Proceeds	The gross proceeds from the Offer less Offer related expenses applicable to the

Term	Description
	Offer. For further information please see “ <i>Objects of the Offer</i> ” on page 74
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NIIs or Non-Institutional Bidders or NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion / NIBs	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, of which: (i) one-third shall be reserved for Bidders with Bids more than ₹ 2,00,000 and up to ₹ 10,00,000; and (ii) two-third shall be reserved for Bidders with Bids more than ₹ 10,00,000 subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million consisting of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 450.00 million by our Company and an offer for sale of up to 78,00,000 Equity Shares aggregating up to ₹ [●] million, by the Promoter Selling Shareholders.
Offer Agreement	The agreement dated November 20, 2023 amongst our Company, Promoter Selling Shareholders and the BRLM pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 78,00,000 Equity Shares by the Promoter Selling Shareholders at the Offer Price aggregating up to ₹ [●] million
Offer Price	<p>The final price at which Equity Shares will be allotted to ASBA Bidders in terms of the Red Herring Prospectus and Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.</p> <p>The Offer Price will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.</p>
Offer Proceeds	The proceeds of the Offer shall be available to our Company and the proceeds of the Offer for Sale shall be available to Promoter Selling Shareholders. For further information about use of the Offer Proceeds, please see section entitled “ <i>Objects of the Offer</i> ” on page 74
Price Band	<p>The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price</p> <p>The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office is located, each with wide circulation and shall be made available to Stock Exchanges for the purpose of uploading on their websites.</p>
Pricing Date	The date on which our Company in consultation with the BRLM will finalise the Offer Price
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 Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	The ‘no-lien’ and ‘non-interest bearing’ account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank(s)

Term	Description
	to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The bank(s) which is a clearing member and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened, in this case being [●]
QIB Category/ QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares, which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and Promoter Selling Shareholders in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	<p>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 offered and the size of the Offer including any addenda or corrigenda thereto.</p> <p>The Bid/Offer Opening Date shall be at least three Working Days after the registration of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto</p>
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with Stock Exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 and UPI Circulars, issued by SEBI
Registrar Agreement	The agreement dated November 20, 2023 entered into amongst our Company, the Promoter Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the websites of Stock Exchanges, and the UPI Circulars
Registrar to the Offer/ Registrar	KFin Technologies Limited
Retail Individual Bidders or RIB(s) or Retail Individual Investors or RII(s)	Individual Bidders (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs), who have Bid for the Equity Shares for an amount not more than ₹ 2,00,000 in any of the bidding options in the Offer
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares, which 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 Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at

Term	Description
	<p>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available 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 prescribed by SEBI from time to time</p> <p>Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time</p>
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Share Escrow Agent	Escrow Agent to be appointed pursuant to the Share Escrow Agreement, namely [●]
Share Escrow Agreement	The agreement to be entered into amongst our Company, Promoter Selling Shareholders, and the Share Escrow Agent for deposit of the Equity Shares offered by Promoter Selling Shareholders in escrow and credit of such Equity Shares to the demat account of the Allottees.
Sponsor Banks	The Bankers to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders into the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	Agreement to be entered into among our Company, Promoter Selling Shareholders, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than the BRLM) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] to be entered into amongst the Underwriters and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	<p>Collectively, individual Bidders applying as Retail Individual Bidders in the Retail Portion, and individual Bidders applying as Non-Institutional Bidders with a Bid Amount of up to ₹ 5,00,000 in the Non-Institutional Portion by using the UPI Mechanism.</p> <p>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 ₹ 5,00,000 shall use UPI 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)</p>

Term	Description
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI 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	The Bidding mechanism that may be used by a UPI Bidders to make a Bid in the Offer in accordance with UPI Circulars
UPI PIN	A Password to authenticate UPI transaction
Wilful Defaulter or a Fraudulent Borrower	Means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution as defined under the Companies Act, 2013 or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional & General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AI	Artificial Intelligence
AIFs	Alternative Investment Funds as defined in and registered under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
BIS	Bureau of Indian Standards
BSE	BSE Limited
COVID-19	An infectious disease caused by the SARS-CoV-2 virus (Corona virus disease)
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
COGS	Cost of Good Sold
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
CRAMs	Contract Research and Manufacturing Services
CSR	Corporate social responsibility
CST	Central Sales Tax
DBO	Defined Benefit Obligation
Depositories Act	Depositories Act, 1996

Term	Description
Depository or Depositories	NSDL and CDSL
Debt Equity Ratio	Total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long-term debt, based on Restated Financial Statements.
DIC	District Industries Centre
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income.
EBITDA Margin (%)	EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
EGM	Extraordinary General Meeting
EMS	Environmental Management System
EOU	Export Oriented Unit
EPS	Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares)
EUR/ €	Euro
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ FY/ F.Y.	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
FIR	First information report
Fixed Asset Turnover Ratio	Revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GIDC	Gujarat Industrial Development Corporation
GPCB	Gujarat Pollution Control Board
GST	Goods and Services Tax
GVA	Gross Value Added
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code
IBEF	India Brand Equity Foundation
ICDS	Income Computation and Disclosure Standards
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
InVITs	Infrastructure Investment Trust
IMD	India Meteorological Department
IPO	Initial Public Offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IT	Information Technology
ITC	Input Tax Credit
KYC	Know Your Customer
LC	Letter of Credit
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MNRE	The Ministry of New & Renewable Energy
MEIS	Merchandise Exports from India Scheme
MNRE	The Ministry of New & Renewable Energy
MSME	Micro, Small & Medium Enterprises
MTM	Mark to Market
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NCDs	Non-Convertible Debentures
NEFT	National Electronic Fund Transfer
Net Debt	Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds
NFE	Net Foreign Exchange
NIP	National Infrastructure Pipeline
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National Payments Corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
OCED	Organization for Economic Co-operation and Development
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit before tax (less) current tax (less) deferred tax
PAT Margin (%)	PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue

Term	Description
PPP	Purchasing Power Parity
QMS	Quality Management System
R&D	Research and Development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
REITs	Real Estate Investment Trusts
ROCE	ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity-Revaluation Reserve-Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances
ROE	ROE is calculated as Net profit after tax, as restated, divided by total equity.
ROC	Net Profit After Tax /Total Equity
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web based complaints redressal system launched by SEBI
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State in India
STT	Securities Transaction Tax
TCS	Tax Collected at Sources
TDS	Tax Deducted at Sources
Trade Marks Act	Trade Marks Act, 1999
TOT	Toll Operate Transfer
UAE	United Arab Emirates
UK	United Kingdom
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US\$	United States Dollars
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF

Term	Description
	Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974

Technical and Industry Related Terms

Terms	Description
ACS	American Chemical Society
APIs	Active Pharmaceutical Ingredients
AR	Analytical Reagent
BP	British Pharmacopoeia
CPI	Consumer Price Index
DKP	Dipotassium Phosphate
DNA	Deoxyribonucleic acid
EDTA	Ethylenediaminetetraacetic acid
EMA	The European Medicines Agency
EP	European Pharmacopoeia
FCC	Food Chemical Codex
FDA	United States Food and Drug Administration
GR	Guaranteed Reagent
High Purity Speciality Fine Chemicals	Chemicals requiring high levels of purity tailored for specific applications, generally not bulk in nature
IIP	Index of Industrial Production
IP	Indian Pharmacopoeia
JP	Japanese Pharmacopoeia
LCDs	Liquid Crystal Displays
LR	Laboratory Reagent
MESH	Mesh size refers to the mesh number (a US measurement standard) and its relationship to the size of the openings in the mesh and thus the size of the particles that can pass through these openings. (10 Mesh = 1.68 mm)
MSP	Minimum Support Prices
OLEDs	Organic Light-emitting Diodes
PLI	Production-linked Incentive
QSRs	Quick Service Restaurants
R&D	Research and Development
RNA	Ribonucleic acid
SLES	Sodium Laureth Sulphate
SLS	Sodium Lauryl Sulphate
TKPP	Tetrapotassium Pyrophosphate
TPA	Tonnes Per Annum
USP	U.S. Pharmacopoeia

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

Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

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

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements.

The Restated Financial Statement included in this Draft Red Herring Prospectus comprises of the restated financial Statements of our Company, which comprise of the restated summary statement of assets and liabilities as at three months period ended June 30, 2023 and as at March 31, 2023, March 31, 2022 and March 31, 2021, the restated summary statements of profit and loss (including other comprehensive income), the restated summary statement of cash flows and the restated statement of changes in equity for the three months period ended June 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, read together with summary statement of significant accounting policies, annexures and notes thereto prepared in accordance with Ind AS and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.

For further information, please see “*Financial Information*” beginning on page 214.

Our Company’s financial year commences on April 1 and ends on March 31 of that particular calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period ended on March 31 of such years. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, please see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and US GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.*” on page 46.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 24, 158 and 268, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Financial Statements.

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. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the

sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP Measures

Certain non-GAAP measures such as EBIT, EBITDA, EBITDA Margin, Gross Margin, Capital Employed, Return on Capital Employed, Return on Equity, PAT Margin, total borrowings and debt to equity ratio, total product sales to revenue from operations (standalone), Net Worth and Return on Net Worth and net asset value per equity share (“**Non-GAAP Measures**”) presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company’s operating performance. For further details, please see “*Risk Factors*” beginning on page 30.

Currency and Units of Presentation

All references to “**Rupees**” or “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India.

All references to “**US\$**”, “**US Dollar**”, or “**USD**” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in million. One million represents ‘million’ or 10,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

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

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

Currency	Exchange Rate as on			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	82.04	82.22	75.81	73.50

(in ₹)

Source: www.fbil.org.in

Industry and Market Data

The industry and market data set forth in this Draft Red Herring Prospectus has been obtained or derived from “*Report on Speciality Fine Chemicals Industry*” dated November 2023 prepared and released by CARE Analytics and Advisory Private Limited and exclusively commissioned and paid by our Company for an agreed fee (the “**CareEdge Report**”) for the purposes of confirming our understanding of the industry in connection with the Offer. CARE Analytics and Advisory Private Limited was appointed by our Company on October 12, 2023. For

details of risks in relation to the CareEdge Report, see “*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from the CareEdge Report.*” on page 43. The CareEdge Report is subject to the following disclaimer:

“This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research’s proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or

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CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.”

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLM or any of its affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. 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, projections, forecasts and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section ‘*Risk Factors*’ beginning on page 30. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

The extent to which the market and industry data used 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 no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*”, beginning on page 83 includes information relating to our peer group companies. Such information has been derived from publicly available sources. No investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reason described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence 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 and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any deviation in meeting domestic and international industry standards for our products may lead to rejection of products from our customers;
- Inability to develop new High Purity Speciality Fine Chemicals may affect our future growth and business;
- Our products are supplied in limited quantities for specific use by application industries. Any reduction in the requirement of our products may result in loss of business and may affect our financial performance and condition;
- We face foreign exchange risks that could adversely affect our results of operations and cash flows;
- Dependency on our Manufacturing Facilities which are strategically located in Vadodara located in Gujarat;
- Dependency on third party transportation and logistics service providers for delivery of our products to our customers as well as raw materials to our Manufacturing Facilities;
- Our Company has not entered into any long-term agreements with our customers for purchasing our products;
- Our Company has not entered into long-term agreements for the supply of raw materials with our suppliers.

For details regarding factors that could cause actual results to differ from expectations, please see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, beginning on pages 24, 158 and 268, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual 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. Our Forward-looking statements reflect current views as on 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 Promoters, our Directors, the Book Running Lead Manager nor any of its respective affiliates or advisors 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 and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by Stock Exchanges for the Offer.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring 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 the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Offer Procedure” on pages 24, 51, 64, 74, 93, 158, 208, 215, 288, and 317, respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We manufacture High Purity Speciality Fine Chemicals for diversified end user industries. Our High Purity Speciality Fine Chemicals are used mainly as (i) reacting agents and raw material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) excipients in pharmaceutical formulations; (iii) reagents for scientific research and laboratory testing; (iv) ingredients in nutraceutical formulations; (v) process intermediates and fermenting agents in biotech applications; (vi) ingredients in agrochemical formulations; (vii) ingredients in personal care products; (viii) refining agents in metal refineries; and (ix) ingredients in animal health products, amongst others.

For further details, please see “Our Business” beginning on page 158.

Industry in which our Company operates

The chemical industry is an integral element of the global economy and plays a critical role in nearly every facet of modern life serving numerous sectors such as agriculture, construction, automotive, FMCG, consumer durables, electronics, healthcare, etc. The global chemical industry is continually evolving through technological advancements, market dynamics, and sustainability initiatives.

The size of the Indian chemicals industry, excluding pharmaceuticals, in terms of the value of output in the year FY21 was around Rs. 9.87 crores and 8.95% of the value of the output of the manufacturing sector. During the last six years, i.e., from FY16 to FY21, the real growth rate in the output of the chemical industry excluding the pharmaceuticals industry was 7.93%. Whereas growth in output value for the manufacturing sector during the same period was 5.56%.

According to the Government of India’s Department of Chemicals and Petrochemicals, the chemical and chemical products sector, excluding pharmaceuticals, accounted for 1.48% of the Gross Value Added (GVA) for all economic activities in FY21. The share of this sector in the GVA of the manufacturing sector during FY21 is about 9.88%. The GVA of the chemical sector has grown at a CAGR of 6.67% during the period FY16 to FY21.

For further details, please see “Industry Overview” beginning on page 93.

Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani. For further details, please see “Our Promoters and Promoter Group” on page 208.

The Offer

The Offer comprises a Fresh Issue of such equity shares aggregating up to ₹ 450.00 million and Offer for Sale of up to 78,00,000 Equity Shares aggregating up to ₹ [●] million by Promoter Selling Shareholders. The details of the Equity Shares offered by each Promoter Selling Shareholder pursuant to the Offer are set forth below:

Sr. No.	Name of the Selling Shareholder	Maximum number of Offered Shares	Aggregate proceeds from the Offered Shares (₹ in million)	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	Up to 26,00,000	[●]	1,29,83,160	[●]

2.	Ketan Ramani	Up to 26,00,000	[●]	1,29,81,540	[●]
3.	Pritesh Ramani	Up to 26,00,000	[●]	1,11,29,580	[●]
	Total	Up to 78,00,000	[●]	3,70,94,280	[●]

- (1) The Offer has been authorised by our Board pursuant to resolutions passed at their meeting held on November 1, 2023, and by our Shareholders pursuant to a special resolution dated November 20, 2023. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale in its meeting held on November 1, 2023.
- (2) The Equity Shares being offered by the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details of the authorisations by the Promoter Selling Shareholders in relation to the Offered Shares, see the section titled “The Offer” and “Other Regulatory and Statutory Disclosures - Authority for the Offer” on pages 51 and 295, respectively.

For further details, see “The Offer” and “Offer Structure” on pages 51 and 313, respectively.

Objects of the Offer

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

		(₹ in million)
Sr. No.	Particulars	Amount
1.	Funding working capital requirements of our Company	304.00
2.	General corporate purposes ⁽¹⁾	[●]

⁽¹⁾To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC. In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

For further details, please see “Objects of the Offer” beginning on page 74.

Aggregate pre-Offer shareholding of our Promoters and Promoter Group

The aggregate pre-Offer shareholding of our Promoters and Promoter Group as a percentage of the pre-Offer paid-up equity share capital of our Company is set out below:

S. No	Name of the shareholder	Number of Equity Shares held	% of the pre-Offer paid up Equity Share capital
(A) Promoters			
1.	Jogindersingh Jaswal	1,29,83,160	34.99
2.	Ketan Ramani	1,29,81,540	34.99
3.	Pritesh Ramani	1,11,29,580	30.00
(B) Promoter Group			
1.	Dhruvil Ramani	1,620	Negligible
2.	Pooja Parshva Gandhi	1,620	Negligible
3.	Rupal Ramani	1,620	Negligible
4.	Anjukumari Jaswal	1,620	Negligible
5.	Ankit Jaswal	1,620	Negligible
6.	Deepali Ramani	1,620	Negligible
	Total (A+B)	3,71,04,000	100.00

For further details, please see “Capital Structure” beginning on page 64.

Summary of Financial Information

A summary of the financial information of our Company as derived from the Restated Financial Statements for three months period ended June 30, 2023 and for Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are as follows:

(in ₹ million, except per share data)

Particulars	For the three months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Equity Share capital	371.04	371.04	2.41	2.41
Net Worth	510.43	446.79	403.53	268.14
Revenue from operation	259.52	955.78	822.47	624.60
Total revenue	261.95	974.98	833.40	632.36
Restated Profit for the period / year	63.82	166.17	136.27	97.30
Earnings per share (Basic & Diluted)	1.72	4.31	3.49	2.40
Return on Net Worth for equity shareholders (%)	12.50	37.19	33.77	36.29
Net Asset Value per Equity Share	13.76	12.04	10.40	6.91
Total borrowings	-	-	6.42	0.13

1. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation;
2. Restated Profit for the period / year attributable to equity shareholders does not include other comprehensive income;
3. Earnings per share (basic and Diluted) = Net Profit after tax, as restated, divided by weighted average no. of equity shares (basic and diluted) outstanding during the year/period. (as adjusted for change in capital due to bonus issue of shares);
4. Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year / period;
5. Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period (as adjusted for change in capital due to bonus shares).

For further details, please see “Restated Financial Statements” beginning on page 215.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements. For further details, see “Restated Financial Statements” beginning on page 215.

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Directors and Promoters, to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation *	Aggregate amount involved (₹ in million) *
1.	Company						
	By the Company	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Company	NIL	1	NIL	NIL	NIL	0.58
2.	Directors (Other than Promoters)						
	By the Directors	NIL	NIL	NIL	NIL	NIL	NIL

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million) *
	Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
3.	Promoters						
	By the Promoter	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Promoter	NIL	NIL	NIL	NIL	NIL	NIL

For further details, please see “*Outstanding Litigation and Material Developments*” beginning on page 288.

Risk factors

Investors should see “*Risk Factors*”, beginning on page 30 to have an informed view before making an investment decision.

Summary of contingent liabilities and commitments

There are no contingent liabilities as at June 30, 2023 as per Restated Financial Statements.

Summary of related party transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Financial Statements for three months period ended June 30, 2023 and for Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are as follows is set forth below:

(₹ in million, except for percentages)

Nature of transaction	Name of the related party	As at June 30, 2023	% of the revenue	As at March 31, 2023	% of the revenue	As at March 31, 2022	% of the revenue	As at March 31, 2021	% of the revenue
Purchase	Pooja Chemicals	0.02	0.01	0.18	0.02	2.34	0.28	5.80	0.93
	P. K. Chlorochem Pvt. Ltd	0.09	0.04	2.43	0.25	3.89	0.47	0.98	0.16
Sales	P. K. Chlorochem Pvt. Ltd	0.49	0.19	0.62	0.06	0.49	0.06	2.09	0.34
Purchase of Fixed Asset	Chemsol Specialities LLP	-	-	70.43	7.37	-	-	-	-
Rent Expense	Chemsol Specialities LLP	-	-	2.16	0.23	12.00	1.46	12.00	1.92
Rent Deposit/(Repayment of rent deposit)	Chemsol Specialities LLP	-	-	(0.90)	(0.09)	6.00	0.73	7.50	1.20
Rent Expense	P.K. Capital & Investment	-	-	-	-	0.32	0.04	0.43	0.07

Nature of transaction	Name of the related party	As at June 30, 2023	% of the revenue	As at March 31, 2023	% of the revenue	As at March 31, 2022	% of the revenue	As at March 31, 2021	% of the revenue
Purchase of Fixed Asset	P.K. capital & Investment	-	-	-	-	21.18	2.58	-	0.00
Remuneration	Ketan Ramani	3.15	1.21	12.6	1.32	12.60	1.53	12.60	2.02
Remuneration	Pritesh Ramani	4.8	1.85	19.2	2.01	14.20	1.73	13.20	2.11
Reimbursement of expense	Ketan Ramani	-	-	-	-	-	-	0.00	0.00
Remuneration	Jogindersingh Jaswal	4.8	1.85	19.2	2.01	14.20	1.73	13.20	2.11
Salary	Ashok Jaggi	-	-	0.52	0.05	0.48	0.06	0.45	0.07

For further details, please see “Restated Financial Statements – Note 33(G) - Related Party Disclosures” beginning on page 256.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our 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 months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters and Promoter Selling Shareholders in one year preceding the date of this Draft Red Herring Prospectus

Our Promoters and Promoter Selling Shareholders have not acquired any Equity Shares in one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of shareholder	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share in the one year preceding the date of this Draft Red Herring Prospectus (in ₹)*
<i>Promoters (who are also the selling shareholder)</i>		
Jogindersingh Jaswal**	NA	NA
Ketan Ramani**	NA	NA
Pritesh Ramani**	NA	NA

*As certified by M/s. Mahesh Udhvani & Associates, Chartered Accountants pursuant to their certificate dated November 22, 2023.

**Also the Promoter Selling Shareholder.

For further details, please see “Capital Structure” beginning on page 64.

Weighted average cost of acquisition of all Equity Shares transacted by the shareholders in the three years, eighteen months and one year preceding the date of this Draft Red Herring Prospectus

Weighted average cost of acquisition of all Equity Shares transacted by the shareholders in the three years, eighteen months and one year preceding the date of this Draft Red Herring Prospectus is set forth below:

Particulars	Weighted Average Cost of Acquisition (WACA) (in ₹)	Cap Price is ‘X’ times the Weighted Average Cost of Acquisition	Range of acquisition price Lowest Price-Highest Price (in ₹)
Last 3 years	NA	[•]	[•]

Particulars	Weighted Average Cost of Acquisition (WACA) (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price Lowest Price-Highest Price (in ₹)
Last 18 months	NA	[•]	[•]
Last 1 year	NA	[•]	[•]

As certified by M/s. Mahesh Udhwani & Associates, Chartered Accountants pursuant to their certificate dated November 22, 2023.

Average cost of acquisition of Equity Shares for our Promoters and Promoter Selling Shareholders Prospectus

The average cost of acquisition of Equity Shares held by our Promoters and Promoter Selling Shareholders set forth in the table below:

Name of shareholder	Number of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)*
Promoters (who are also the selling shareholder)		
Jogindersingh Jaswal**	1,29,83,160	10.00
Ketan Ramani**	1,29,81,540	10.00
Pritesh Ramani**	1,11,29,580	10.00

*As certified by M/s. Mahesh Udhwani & Associates, Chartered Accountants pursuant to their certificate dated November 22, 2023.

**Also the Promoter Selling Shareholder

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 until grant of listing and trading permission by the Stock Exchanges.

Issuance of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split/consolidation of Equity Shares in the last one year

Our Company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Red Herring Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 158, 215 and 268, respectively of this Draft Red Herring Prospectus, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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. For further information, please see “Forward-Looking Statements” on page 22 of this Draft Red Herring Prospectus.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, please see “Restated Financial Statements” on page 215 of this Draft Red Herring Prospectus. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report titled ‘Report on Speciality Fine Chemical Industry’ dated November 2023 (the “CareEdge Report”) prepared and issued by CARE Analytics and Advisory Private Limited commissioned and paid by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

Internal Risk Factors

Risks relating to our Business

- 1. Our products are required to meet domestic and international industry standards. In the event of any deviation from these standards, our products may face rejection from our customers, which may affect the reputation of our Company.***

We manufacture more than 185 High Purity Speciality Fine Chemicals spanning across the family of phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others. Our products are required to meet domestic and international standards like IP, BP, EP, JP, USP, FCC, LR, AR, GR and ACS. Further, we also undertake custom manufacturing of High Purity Speciality Fine Chemicals to achieve different levels of purity than the prescribed standards, as specified by the client. For further details, see ‘Our Business’ beginning on page 158.

Any failure on our part to meet these standards required by the customer could lead to rejection of our products or even a suspension of orders from the customer. In the past there have been some instances of rejection of our products which were then replaced with fresh supplies to the customer. However, there has been no loss of any customer as these were only technical rejections. In the event of any rejection due to deviation in product standards that may be required by our customers our goodwill, reputation and sales may get affected leading to a decrease in our revenues and profits.

- We may not be able to achieve the level of purity required by our customer and fail to supply the required product. Our customers may be forced to explore other alternatives by placing orders with our competitors leading to loss of our customers.***

Our products have applications mainly as (i) reacting agents and raw material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) excipients in pharmaceutical formulations; (iii) reagents for scientific research and laboratory testing; (iv) ingredients in nutraceuticals formulations; (v) process intermediates and fermenting agents in biotech applications; (vi) ingredients in agrochemical formulations; (vii) ingredients in personal care products; (viii) refining agents in metal refineries; and (ix) ingredients in animal health products, amongst others. Supply of High Purity Speciality Fine Chemicals like phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others are required to meet standards domestic and international standards like IP, BP, EP, JP, USP, FCC, LR, AR, GR and ACS. Further, custom manufacturing requiring different purity levels than the prescribed standards require deep domain knowledge, expertise and understanding of the characteristics of each chemical and its compounds, including decreasing the level of existing impurities and the processes to be deployed to reach the desired level of purity.

In the event we are unable to meet different levels of purity as required by our customers and are unable to supply the desired product, we may lose our customers to competitors who may be able to manufacture and supply such products and lead to a loss of customer which may adversely affect our revenues and profitability.

- Our products are mainly supplied to certain industries for their applications and processes. In the event of any change in application or processes, our products may not be required by such customers which may lead to loss of revenues and profits.***

We manufacture and supply more than 185 High Purity Speciality Fine Chemicals spanning across the family of phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others to industries such as pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health across the country and overseas. These industries use our products for their applications or processes for manufacturing their end use products. These industries are continuously developing new products and therefore new chemicals and compositions may be required for these new products. We may have to undergo a product and/or process change to cater to these changes which may require additional investment, technical know-how and expertise.

In the event of any change in the ingredients forming part of these products manufactured by our customers where our High Purity Speciality Fine Chemicals are presently being used may make our products redundant. This may lead to fall in demand for our products or a reduction in the margin that these products may be commanding till such development. Any such fall in demand or reduction in margins may affect the financial condition and future profitability of our Company.

- Our products are supplied in limited quantities for specific use by application industries. Any reduction in the requirement of our products may result in loss of business and may affect our financial performance and condition.***

We have set-out below the industries where our products are used in various applications and the revenues generated from them:

Application/ Industry	For three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
Pharmaceuticals	103.05	39.71	389.78	40.78	337.24	41.00	339.86	54.41

Application/ Industry	For three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
Scientific Research and Laboratory Testing	94.29	36.33	279.23	29.21	267.63	32.54	146.17	23.40
Nutraceuticals	53.56	20.64	245.22	25.66	174.77	21.25	113.88	18.23
Others*	8.63	3.32	41.55	4.35	42.83	5.21	24.70	3.95
Total	259.52	100.00	955.78	100.00	822.47	100.00	624.60	100.00

*Includes: Biotech, Agrochemicals, Personal Care, Metallurgy and Animal Health.

The requirement of our products in volume or quantity terms is limited by our customers. We purchase technical grade chemicals as raw materials and our manufactured products are supplied in smaller quantities as High Purity Speciality Fine Chemicals to these industries. These industries use our products for their applications or processes for manufacturing their own end use products. Any reduction or fall in the demand of products of our application industries may ultimately have an impact on our business, profitability and financials. Further, if there is a fall in demand for the products manufactured by our customers, we may also face the impact of lower demand of these products, affecting our sales and financial condition.

5. Our top 20 products contribute to majority of our revenues. Any change in demand our products of those products could significantly affect our revenues.

We manufacture a broad range of High Purity Speciality Fine Chemicals belonging to the family of citrates, carbonates, phosphates, acetates, sulphate, EDTA derivatives, chlorides, hydroxide, bromide, nitrites, and nitrates. Our products have applications across a wide spectrum of industries like pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health. Over the years, we have expanded our product portfolio to more than 185 products. During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021, we sold 113, 157, 156 and 159 products, respectively. Our top 20 products amounting ₹ 177.22 million, ₹ 655.82 million, ₹ 574.53 million and ₹ 437.45 million contributing 68.65%, 70.21%, 71.27% and 71.12% of our revenue for the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022 and Fiscal 2021 respectively, providing us a diversified base.

The concentration of our product sales being dominated by our top 20 products makes us vulnerable to demand risks for these products. In the event of any fall in demand for our top 20 products may affect our business, results of operations, financial condition and cash flows.

6. Our inability to successfully expand our production capacity could have an adverse effect on our business, results of operations, financial condition and cash flows.

As a part of our growth plans, we intend to establish a new manufacturing unit at GIDC, Dahej - II. Consideration for acquisition of this land has been paid by our Company. An application for the assignment of the land in the name of our Company has also been made to GIDC. This land falls under the chemical zone of GIDC, Dahej - II where facilities like ease in obtaining GPCB permissions, water availability, effluent discharge to CETP, ample power and PNG are available with excellent road connectivity to the ports in the western region of India. We plan to establish our fourth unit at this location which will have an estimated capacity of 18,000 TPA and will be used to manufacture High Purity Speciality Fine Chemicals. The entire costs for establishing this unit is estimated to be around ₹ 675 million will be borne from internal accruals. Once this unit is operational, our total installed capacity will be around 25,242 TPA and will enhance our revenues from the increased sale of the High Purity Speciality Fine Chemicals manufactured at this new unit. We expect to establish and operationalise this unit by FY 2025.

In the event of us not being able to successfully establish and/or operationalise the new unit we may not be able to further expand our existing capacities and increase our business and revenues which may affect our financial condition and profitability.

7. Any failure in developing new High Purity Speciality Fine Chemicals may affect our future growth and business.

We presently manufacture and supply High Purity Speciality Fine Chemicals like phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others. We plan to diversify our product offerings by manufacturing High Purity Speciality Fine Chemicals like acetate, adipate, ascorbate derivatives, aspartate derivatives, benzoate, citrate derivatives, EDTA derivatives, gluconate derivatives, glycinate derivatives, lactate, malate derivatives, orotate derivatives, propionate, sorbate derivatives and succinate once our new unit is established at GIDC, Dahej – II.

Our future results of operations depend on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. Our growth strategy depends on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. The development and commercialisation of new products are complex, time-consuming, costly and involves business risk. We may be unable to successfully create these new products or encounter unexpected delays in the launch of these products and even if launched as planned, such products may not perform as we expect. The success of our new product offerings will depend on several factors, including our ability to properly anticipate customer needs; establish collaborations with suppliers and customers; develop and manufacture our products in a timely and cost-effective manner; and successfully market and sell our products. In addition, the development and commercialisation of new products is characterised by significant upfront costs, product development activities, sales and marketing. Additionally, some of our competitors may have greater financial, research and technological resources. They may also be in a better position to identify market trends, adapt to changes in industry and offer innovative new products. Accordingly, if we do not successfully develop new products or continue our product portfolio expansion in a timely, cost-effective manner that is attractive to our customers, our business, financial condition, cash flows and results of operations may be adversely affected.

8. We may not be able to expand our production capacity and products manufactured at Unit – III as GPCB has restricted any such expansion in the area where our Unit – III is situated i.e. Padra region, near Vadodara, Gujarat. We may therefore have to limit the use of this manufacturing facility.

Due to ground water contamination related issues, GPCB has restricted the expansion of manufacturing units in the Padra region, near Vadodara, Gujarat, where our Unit – III is situated. We have installed primary effluent treatment plant at all of our Manufacturing Facilities. For Unit – III, we have ZLD permission where we have to treat the effluents generated during our manufacturing process, while for our other units, we have the permission to discharge the effluents to the CETP, Umraya, Padra. We therefore have to consider the viability of manufacturing certain products at Unit – III due to the use of effluent treatment equipment under ZLD during the manufacturing process. For further details of Unit III, please see “*Our Business — Capacity and Capacity Utilisation*” on page 177. We are therefore limited to the manufacturing of only certain products that are viable in this situation till we have further clarity from GPCB going forward.

In view of the GPCB restrictions on expansion in the Padra region where our Unit – III is situated, we have acquired a land at GIDC, Dahej – II admeasuring to 19,213 square meters, where we have planned our expansion of existing products and diversify into new products. In the event the restrictions from GPCB continue to subsist, as above, we may not be able to fully operate Unit – III and utilise its production capacity fully which may lead to loss of production which may affect our business, financial condition and results of operations.

9. Customer approvals of products in our business take a long time and involve high cost of development.

During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022 and Fiscal 2021, we served 233, 342, 309 and 280 customers, respectively. We served 625 customers in the last five (5) financial years of which 93 customers placed repeat orders in each of these five financial years and during the three months ended June 30, 2023. We have added 27, 98, 91 and 76 new customers during the three months period ended June 30, 2023, Fiscal 2023, 2022 and 2021 respectively.

High Purity Speciality Fine Chemical manufacturers require customer approvals and certifications as they are manufactured for specific use and requirements in both domestic and/or international markets. The process of customer approval is long and stringent. The customers have their own procedures and standards to approve

a particular vendor as its supplier for the High Purity Speciality Fine Chemical required by them. To achieve customer approvals and become a certified vendor of the customer who are in industries like pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health takes significant amount of time. Further, significant investments, both human and capital, are required to develop specific products for customers and it may happen that even after investing capital and resources in developing these products, the customer may not approve our Company as a certified supplier due to various reasons. Our investments and resources applied in developing a particular product may not see commercialisation due to lack of approvals from the customer which may lead to losses affecting our financial condition.

10. *Majority of our exports is to the USA out of our total exports.*

In Fiscal 2023, we sold our products to 15 countries outside India including the United States. During the three months ended June, 30, 2023, Fiscal 2023, 2022 and 2021, we have cumulatively exported our product to over 20 countries. United State remains the largest market for our products amounting to ₹ 59.06 million, ₹ 219.20 million, ₹ 170.74 million and ₹ 109.79 million and contributing 89.39%, 90.33%, 88.49% and 85.48% of our revenue from exports for the three months ended June 30, 2023 and Fiscals 2023, 2022 and 2021 respectively.

Our exports to the USA and other countries include direct sales to the overseas customers and indirect sales through intermediaries. Our Company is not required to obtain any registration in these countries. Any change in regulatory standards or any new product requirement in the export markets which we may not be manufacturing could adversely affect our ability to sell our products in the international markets which could adversely affect our business and financial results. There can be no assurance that our customers and intermediaries would be able to obtain the necessary approvals to import in the countries where we export our products, which could have an adverse effect on our business, financial condition and results of operations.

11. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.*

Our revenue from operations also includes revenue from export of our products. This gives us exposure to foreign currencies while we prepare our financial statements in Indian Rupees. For the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, our revenue from operations from exports were ₹ 66.07 million, ₹ 242.68 million, ₹ 192.95 million and ₹ 128.43 million respectively, representing 25.46%, 25.39%, 23.46% and 20.56% of our revenue from operations based on our restated financial statements. We do not hedge our foreign currency exposure. Accordingly, we are affected by fluctuations in exchange rates among the U.S. Dollar, Indian Rupees and other foreign currencies. For the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, we recorded foreign currency exchange gains of ₹ 0.50 million, ₹ 9.48 million, ₹ 3.17 million and ₹ 0.95 million, respectively, due to fluctuations in foreign exchange rates. There can be no assurance that we will continue to record exchange gains only from foreign exchange fluctuations or any hedging measures which we may take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies.

In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Further, changes in export policies or an economic slowdown in countries to which we export our products may have a significant adverse impact on our business, financial condition and results of operations.

12. *Our business is dependent on our Manufacturing Facilities which are strategically located in Vadodara located in Gujarat. Any shutdown of operations of our Manufacturing Facilities may have an adverse effect on our business and results of operations.*

We have three Manufacturing Facilities, at Vadodara located in Gujarat which cater to the domestic as well as export markets. Our Manufacturing Facilities are supported by infrastructure for storage of raw materials and finished goods, together with quality control equipment and team. These Manufacturing Facilities are subject to the normal risks of industrial production, including natural disasters, directives from government agencies and power interruptions. For further details, please see “*Our Business — Manufacturing Facilities*”

on page 176. We cannot assure you that we will not go through closure or shutdown of Manufacturing Facilities in the future.

Any extended power supply interruption will result in reduced production at the affected facility. We depend on public/ state power supply utilities for the supply of power to our Manufacturing Facilities. For further details, please see “*Our Business — Utilities*” on page 179. Any shortage or interruption in the supply of electricity may adversely affect our operations and increase our production costs. This could lead to delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationships. Our Manufacturing Facilities use complex equipment and machinery, and the breakdown or failure of equipment or machinery may result in us having to make repairs or procure replacements which may require considerable time and expense and as a result, our results of operations and financial condition could be adversely affected.

13. *We are subject to certain risks consequent to our operations involving the manufacture, usage and storage of chemical substances.*

Our manufacturing processes involve manufacturing, storage and transportation of various chemical substances and certain raw materials that we use in the production of our products, and we are required to obtain approvals from various authorities for storing these substances. We are subject to operating risks associated with handling of such materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of hazardous substances, which in turn may cause personal injury and environmental contamination. 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 Facilities and expose us to civil and / or criminal liability which could have an adverse effect on our business, financial condition and results of operations. Further, such occurrences may result in the termination of our approvals for storing such substances or penalties thereunder.

14. *Our Group Company viz. P. K. Chlorochem Private Limited and one of our Promoter Group entities viz. Ketan Vinodchandra Ramani (HUF) are engaged in the business of trading in commercial chemicals. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.*

Our Group Company viz. P. K. Chlorochem Private Limited and one of our Promoter Group entities viz. Ketan Vinodchandra Ramani (HUF) are engaged in the business of trading in commercial chemicals. These Promoter Group entities do not manufacture any High Purity Speciality Fine Chemicals and only trade commercial chemicals. Our Company is also not a manufacturer of commercial chemicals but High Purity Speciality Fine Chemicals. Our Promoters have also by way of an undertaking agreed that they will not carry on any manufacturing operations and sell products similar to our Company to any customers. There can be no assurance that our Promoters or our Group Companies or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition. Thus, in future conflicts of interests may arise in allocating business opportunities amongst our Company and Our Group Company viz. P. K. Chlorochem Private Limited and one of our Promoter Group entities viz. Ketan Vinodchandra Ramani (HUF) in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other companies or ventures in which our Promoter has interest.

15. *Our Company has acquired land alongwith factory shed of our Unit – I and III from our Promoter Group entities.*

Our Company acquired land along with factory shed of Unit I for a total consideration of ₹ 20.00 million by way of sale deed dated February 14, 2022 from M/s. P. K. Capital & Investment in which our Promoter Group members, Rupal Ramani and Dipali Ramani are partners. Our Company also acquired land along with factory shed of Unit III for a total consideration of ₹ 66.50 million by way of sale deed dated May 27, 2022 from Chemsol Specialities LLP in which our Promoters, Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani are partners.

While our Company believes that all these transactions have been conducted on an arm’s length basis and are accounted as per Ind AS 24 are in compliance with the provisions of the Companies Act, 2013 and other

applicable laws however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

16. *Our business operations require significant working capital. If we experience insufficient cash flows to meet required payments on our working capital requirements, there may be an adverse effect on the results of our operations.*

Our business operation requires significant working capital specifically for raw materials, work in progress and finished goods to undertake manufacturing operations. The working capital requirements of our Company for Fiscals 2023, 2022 and 2021 were ₹ 253.12 million, ₹ 316.06 million and ₹ 191.83 which were funded through from internal accruals. The working capital requirements for 2025 of our Company is estimated at ₹ 304 million, and will be funded out of the Net Proceeds, whereas the balance working capital requirements would be arranged from our internal accruals. For further details, please see “*Objects of the Offer*” on page 74.

Further, being a zero-debt company, it may help us to obtain financing on better and favourable terms from bankers or financial institutions, if and when we decide to avail institutional funding. However, we cannot assure you that our bankers or financial institutions may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. All of these factors may increase in working capital requirements and if we experience insufficient cash flows to meet required payments on our working capital requirements, there may have an adverse effect on our financial condition, cash flows and results of operations.

17. *Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.*

Our proposed Objects of the Offer are set forth under “*Objects of the Offer*” beginning on page 74. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

18. *We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial condition and cash flows.*

We 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. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by customers could adversely affect our results of operations by reducing our sales volume leading to a reduced 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 variation 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.

Therefore, there could be a significant difference in the installed capacity and the production of our products due to the variety of products that we manufacture. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed.

Therefore, the information provided in this Draft Red Herring Prospectus on installed capacities and the data on actual production may differ significantly.

Further, the installed capacity of our Manufacturing Facilities is the maximum productive capacity according to the manufacturers' specification of machines / equipment whereas, our manufacturing capacity is the approved production capacity of our Manufacturing Facilities by pollution control authorities. Our utilised capacity signifies the volume of production achieved in relation to installed capacity. For further details, see, "*Our Business - Capacity and Capacity Utilization*" on page 177.

If we are unable to utilise the optimum level of our installed capacity of our Manufacturing Facilities in the future this could affect our costs and profitability and thereby adversely affect the financial condition of our Company. Further, any underutilization of our Manufacturing Facilities could adversely affect our business, results of operations, financial condition and cash flows.

- 19. *The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Offer". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Offer are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, which may not be within the control of our management. Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Offer is entirely at the discretion of our management. Our Company is not required to appoint monitoring agency for the purpose monitoring the utilisation of the Net Proceeds since the size of the Fresh Issue is less than ₹ 1,000 million. Further, our Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchanges on a quarterly basis, deviations, if any, in the Use of Proceeds of the Offer as stated in the section titled "*Objects of the Offer*" beginning on page 74 or by way of an explanatory statement to the notice for a general meeting.

- 20. *Our customers expect us to obtain and maintain certain certifications and any failure by our part to obtain and maintain such certifications may affect our reputation, business, results of operations and financial condition.***

We are committed to ensuring and maintaining the required industry and customer manufacturing specifications while providing high quality products to our customers. We have emphasized on building strong quality management systems in our manufacturing processes as well as the raw materials used for manufacturing High Purity Speciality Fine Chemicals. Any failure by us to maintain compliance with these quality standards may disrupt our ability to supply products which meet our customers' requirements. This may further lead to loss of reputation and goodwill of our Company, cancellation of the orders, loss of end customers, rejection of the product, which will require us to incur additional cost, that may not be borne by

the end customer, to replace the rejected product, which could have an adverse effect on our business and financial condition.

Our High Purity Speciality Fine Chemicals go through various quality checks at various stages including random sampling check. Many of our key customers have audited and approved our Manufacturing Facilities and manufacturing processes in the past and may undertake similar audits periodically in the future. We have obtained the following certifications for our Manufacturing Facilities:

Nature of Certification	Manufacturing Facility
FSSC 22000 (Version 5)	Unit I
ISO 9001:2015	Unit I and Unit II
ISO 14001:2015	Unit I and Unit II
ISO 45001:2018	Unit I and Unit II
Kosher	Unit I
Halal	Unit I
GMP	Unit I
GLP	Unit I

For further details see, “*Our Business – Manufacturing Facilities Certifications*” on page 177. If we fail to comply with applicable quality standards in future or if the relevant accreditation institute declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, our business prospects and financial performance may be affected. However, there has been no major instance of failure to comply with the quality standards by our Company in the past three (3) Fiscals which has led to the loss of any customer.

While we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our prescribed quality standards. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. Any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, financial condition and results of operations.

- 21. *We are dependent on third party transportation and logistics service providers for delivery of our products to our customers as well as raw materials to our Manufacturing Facilities. Any delay in delivery of our products or raw materials or increase in the charges of these entities could adversely affect our business, results of operations and financial condition. We also may be exposed to the risk of theft, accidents and/or loss of our products in transit.***

Our manufacturing operations are dependent on timely and cost-efficient transportation of raw materials to our facilities and of the products we manufacture to our customers. We transport our raw materials and our finished products by air, road and sea. Depending on the terms of supply, the raw material is delivered by our suppliers on to pay or paid basis or we rely on third party logistic companies and freight forwarders for the delivery of our raw materials. We do not have formal contractual relationships with such logistic companies and freight forwarders. Any disruption in services by such third party logistic companies and freight forwarders could impact our manufacturing operations and delivery of our finished products to our customers. Further, transportation strikes could also have an adverse effect on supplies and deliveries to and from our customers and suppliers. Although for the three months period ended June 30, 2023 and during Fiscals 2023, 2022 and 2021, we did not face any significant disruptions from third party transportation and logistics service providers, any disruptions of logistics in the future could impair our ability to deliver our products on time, which could materially and adversely affect our business, results of operations and financial condition. Further, depending on the terms of sales, we also rely on third party logistic companies to deliver our finished products on to pay or paid basis. For exports, we sell our finished products on a cost, insurance and freight basis (CIF) or freight on board basis (FOB). For exports, our freight forwarders co-ordinate with the shipping line to file and release the necessary bills of lading or waybills. We are subject to the risk of increases in freight costs. If we cannot fully offset any increases in freight costs through increases in the prices for our products, we would experience lower margins. In addition, any increase in export tariffs would increase our operating expenses which in turn may adversely affect our business, results of operations and financial condition.

Furthermore, we are exposed to the risk of theft, accidents and/or loss of our products in transit. While we believe we have adequately insured ourselves against such risk, we cannot assure you that our insurance will be sufficient to cover the losses arising due to such theft, accidents and/or loss of our products in transit. While

there have been no material instances of theft, accident or loss not covered by insurance or transportation strikes for the three-month period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could adversely affect our business, results of operations and financial condition. Any losses or claims from damage containers, not covered by our insurance, could adversely affect our business, results of operations and financial condition.

- 22. Our Company has not entered into any long-term agreements with our customers for purchasing our products. We are subject to uncertainties in demand and there is no assurance that our customers will continue to purchase our products. This could impact the business and financial performance of our Company.**

Our customer portfolio is well diversified, and we have served 625 customers during the past five Fiscals. We have historically derived, and may continue to derive, a significant portion of our income from our top 10 and top 20 customers. The details of contribution by our top 10 and top 20 customers to our total revenue from operations for last three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, is set out below:

(₹ in million, except for percentages)

Particulars	For Fiscal/ Period							
	June 30, 2023		2023		2022		2021	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Top ten (10) customers	141.35	52.97	484.43	50.09	462.03	55.76	351.80	55.71
Top twenty (20) customers	182.81	68.50	621.35	64.24	568.76	68.64	443.68	70.26

Any reduction in orders from our top customers would adversely affect our income. The demand from our major customers, in particular our top 10 or top 20 customers, determines our revenue levels and results of operations, and our sales are directly affected by their production and inventory levels. Over the years, we have developed strong relationships with our customers through whom we have been able to expand our product offerings. Our business depends on the continuity of business with these customers.

We have not entered into any long-term agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Consequently, there is no commitment on the part of our customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find other customers for the surplus or excess capacity, in which case we may be forced to incur a loss due to lack of utilization of our production capacity. Our customers are fairly and evenly spread out and none of our customers dominate our sales for last three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021. Our customers can terminate their relationships with us due to a change in preference or any other reasons, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers are under no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our customers are dependent on factors such as customer satisfaction with the quality of our products, pricing of our products, customer's inventory management, amongst others.

Although, we have a strong emphasis on quality, pricing, timely delivery of our products and personal interaction by the senior management with our customers, any change in the buying pattern of our customers can adversely affect the business and the profitability of our Company.

- 23. Our Company has not entered into long-term agreements for the supply of raw materials with our suppliers. We are subject to uncertainties in the supply of raw materials and there is no assurance that our suppliers will continue to sell raw materials to us as per our requirements. This could impact the business and financial performance of our Company.**

The primary raw materials essential to the manufacturing are citric acid, phosphoric acid, potassium hydroxide, sodium hydroxide, soda ash, potassium carbonate, sodium bicarbonate, acetic acid etc. We procure our raw materials essential for manufacturing our products mainly from domestic vendors. The details of our top 5 and top 10 raw material suppliers to our total purchases for the Fiscals 2023, 2022 and 2021, has been set out below:

(₹ in million except for percentages)

Particulars	For Fiscal/ Period							
	June 30, 2023		2023		2022		2021	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Top five (5) suppliers	44.97	17.35	150.53	15.75	133.91	16.28	122.25	19.57
Top ten (10) suppliers	70.63	27.25	238.20	24.92	211.94	25.77	162.48	26.01

We usually do not enter into long-term supply contracts with any of our raw material 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 materials suppliers. The terms and conditions on warranties for product quality and return policy are set forth in the purchase orders. Pricing and production volumes are negotiated for each purchase order. The orders placed by us are dependent on factors such as demand for our Company's products, customer's inventory management, amongst others. Our suppliers in turn are also dependent on factors such as fluctuation in demand, supplier's inventory management and pricing amongst others. There are no contractual commitments other than those set forth in the purchase orders. The purchase price of our raw materials generally follows market prices. As a result, our suppliers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in the supply of raw materials. Our suppliers are under no obligation to accept our orders and may also cancel, reduce or delay orders.

Although, we lay strong emphasis on quality, timely delivery of raw materials and personal interaction by our senior management with suppliers, any change in the price of raw materials and preference of suppliers can adversely affect the business and the profitability of our Company.

24. Any failure to protect or enforce our rights to own or use trademarks and brand name and identity could have an adverse effect on our business and competitive position.

Our corporate logo **KRONOX** is registered under class 1 under Trademark Act, 1999. If we are unable to renew or register our trademark for various reasons or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if we do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name,

if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

- 25. *Our success largely depends upon the services of our Directors, Senior Management Personnel and Key Managerial Personnel (KMP) and our ability to attract and retain them. Demand for Senior Management Personnel and Key Managerial Personnel (KMP) in the industry is intense and our inability to attract and retain our Senior Management Personnel and Key Managerial Personnel may affect the operations of our Company.***

Our Directors, Senior Management Personnel and Key Managerial Personnel have substantially contributed for our growth. Our success is substantially dependent on the expertise and services of our Directors, Senior Management Personnel and Key Managerial Personnel. They provide expertise which enables us to take well informed decisions in relation to our business and prepare our Company for future challenges. Our future performance will depend upon the continued services of these persons. Demand for Senior Management Personnel and Key Managerial Personnel in the industry is intense. However, our Board of Directors, as a part of their role and responsibilities, have been entrusted with the obligation of selecting, compensating, monitoring, replacing and succession planning for Senior Management Personnel and Key Managerial Personnel of our Company. In the event of an exit by any Senior Management Personnel and/or Key Managerial Personnel, appropriate steps for replacement of the person are taken by our Company to ensure smooth transition of roles and responsibilities so as to avoid any disruptions in the operations and management of the business of the Company.

However, our Company does not have any succession plan in respect of replacement of Senior Management Personnel and Key Managerial Personnel. The loss of the services of such Director or Senior Management Personnel or Key Managerial Personnel of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

- 26. *Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/ or surplus of products, which could harm our business.***

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make production decisions well in advance of sales. Our inventory holding period for Fiscals 2023, 2022 and 2021 has been approx. 61 days, 58 days and 58 days, respectively. Further, there have been fluctuations in the inventory holding period for Fiscals 2023, 2022 and 2021 due to growth in business and increase in turnover. An inaccurate forecast of demand for any product can result in the unavailability/surplus of our products. This unavailability of our products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of our products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

- 27. *Our inability to respond adequately to increased competition may adversely affect our business, financial condition and results of operations.***

We face competition from various domestic and international manufacturers and traders. Various players in the industry compete with each other for providing High Purity Speciality Fine Chemicals. We have a number of competitors offering products similar to us. Our product quality, timely delivery, product innovation, customization in products helps us to maintain strong relationship with our customers and provides edge over our competitors. We intend to continue competing vigorously to increase our market reach and sales volumes to manage our growth in an optimal way. Certain of our competitors may have better access to financial resources, technology, research and development capability, market reach and operations in different geographies and diversified product portfolios, which may allow them to better, respond to market trends.

We face competition primarily from domestic and international companies including Canton Laboratories Private Limited (India), Jost Chemicals, USA, (Czech Republic), Budenheim (Germany), Jiangsu Kolod Food Ingredients Co. Ltd. (China), CFL Chemische Fabrik Lehrte GmbH & Co. KG (Germany) and Ichimaru Co. Ltd. (Japan), amongst others. We may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects.

28. *In the event of any accident at our Manufacturing Facilities, our Company may be held liable for damages and penalties which may impact the financials of our Company.*

Any mishandling of our equipment and machineries by our employees/ labour could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. As on June 30, 2023, we maintain an insurance coverage of ₹ 391.86 million which is 105% of our total net tangible assets.

While we believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents, to the extent that we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. There has been no material incident in the past three financial years requiring the Company to claim insurance from the insurance company. However, we cannot ensure that such accidents will happen in future which may have adverse impact our financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

For further details, see the section titled “*Our Business — Insurance*” on page 180.

29. *We are operating in a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.*

Our Company’s manufacturing activities are labour intensive. Strikes and other labour action may have an adverse impact on our manufacturing operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our manufacturing operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see “*Our Business – Manpower*” on page 180 of this Draft Red Herring Prospectus.

30. *In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business operations, our business and results of operations may be adversely affected.*

Our operations are subject to extensive government regulations and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business operations. We may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business.

Any inability to renew these approvals may have an adverse effect on our operations. We cannot assure you that such approvals will be issued or granted to us, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business operations may be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would 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. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business operations are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer disruption in our operations, any of which could adversely affect our business operations.

31. *Our business may expose us to potential product liability claims and recalls, which could adversely affect our results operation, goodwill and the marketability of our products.*

We may be exposed to risks of products recalls and returns. In addition, we may be exposed to potential product liability claims, and the severity and timing of such claims are unpredictable. While we have taken insurance to protect us from such claims; however, this insurance coverage may be inadequate or not applicable to a particular set of claims. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to

claims resulting from manufacturing defects or negligence in storage or handling which may lead to the deterioration of our products. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation and require our management's time and focus. Accordingly, such product liability claims, may adversely affect our results of operation, goodwill and the marketability of our products.

32. *Our business and profitability will suffer if we fail to anticipate rapid changes in customer preferences and the industry on which we focus.*

To compete successfully in the industry, we must be able to identify and respond to changing demands and preferences, as well as operate within substantial production and delivery constraints. We cannot assure you that our products will always gain buyer acceptance and we will always be able to achieve competitive products to meet customer expectations. Failure to identify and respond to changes in consumer preferences could, among other things, limit our ability to differentiate our products, adversely affect consumer acceptance of our products, and lower sales and gross margins. Further, products that are developed by our competitors may render our offerings uncompetitive or force us to reduce prices, thereby adversely affecting our margins. Any of these factors could have a material adverse effect on our business and results of operations.

33. *We are exposed to the risks of significant breaches of data security, and malfunctions or disruptions of information technology systems.*

Our Company has entered into annual maintenance contract with third party vendors for managing its IT infrastructure to support our business requirements. We are currently using Tally Prime with various functions to track procurement, sales, inventory management, taxation management, payments to vendors and receivables from customers. Although we carry out periodic security checks, these systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Though there have been no instances of security breaches in the past, inability to prevent such data security breaches in future could lead to the loss of trade secrets and the data related to our products and other proprietary information could be compromised. These systems are also susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

34. *We engage contract labour for carrying out certain business operations.*

In order to retain operational efficiencies, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. As of September 30, 2023, we had 155 contract workers employed at our Manufacturing Facilities. Any requirement to fund their wage requirements may have an adverse impact on our business, financial condition and results of operations.

35. *Industry information included in this Draft Red Herring Prospectus has been derived from the 'Research Report on Speciality Fine Chemicals Industry'.*

This Draft Red Herring Prospectus includes information from report titled '*Report on Speciality Fine Chemicals Industry*' dated November 2023 issued by CARE Analytics and Advisory Private Limited (CareEdge Research) (the "*CareEdge Report*"), which has been exclusively prepared for the purpose of the Offer and is commissioned and paid-for by our Company. The CareEdge Report highlights certain industry and market data relating to our Company and our Competitors. For further details, see, "*Our Business – Competition*" on page 180. Prospective investors are advised not to unduly rely on the CareEdge Report when making their investment decisions.

36. *Our Company has in the past entered into related party transactions with our Promoters and Promoter Group members and may continue to do so in the future. 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.*

Our Company has entered into related party transactions with our Promoters and Promoter Group members in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per Ind AS 24 are in compliance with the provisions of the Companies Act, 2013 and other applicable laws however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. 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. For further details, see “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256.

37. *Our Promoters and Promoter Group will continue to retain significant control in our Company after the Offer, which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.*

After the completion of this Offer, our Promoters and Promoter Group will continue to hold significant shareholding in our Company. As a result, our Promoters and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoter will not be sold any time after the Offer, which could cause the price of the Equity Shares to decline. For further details, please see “*Capital Structure*” beginning on page 64.

38. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.*

The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and applicable law, including the Companies Act, 2013. There can be no assurance that our Company will pay dividends in the future. We may decide to retain all of our earnings, if any, for use in the operations and expansion of our business. Accordingly, realization of a gain on shareholder investments will depend on the appreciation of the price of the Equity Shares. For further details of payment of dividend by our Company during last three Fiscals, please see “*Dividend Policy*” beginning on page 212.

39. *Our insurance cover may not adequately protect us against all material hazards and accidents.*

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. Our operations are subject to various risks in the manufacturing industry such as fire & other perils, burglary, earthquake, accidents, health emergencies. Accordingly, we maintain insurance policies for our Manufacturing Facilities, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire and other perils. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of cargos by road or rail. We have also maintained insurance policies for our vehicles. We also have taken employees compensation policy for our

employees at our Manufacturing Facilities. Further, we have also taken group mediclaim policy for our employees at our registered office. The details of amount of losses or insurance claimed vis-a-vis insurance cover in the past during last three months period ended June 30, 2023 and three Fiscals 2023, 2022 and 2021 is as follows:

(₹ in millions)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total amount of sum insured	491.86	492.30	565.37
Total amount of losses or insurance claimed	NIL	NIL	NIL

Further, there are no instances in the past where the insurance claimed by us exceeds the liability insurance cover. As on June 30, 2023, we maintain an insurance coverage of ₹ 391.86 million which is 105% of our total net tangible assets. For details, see the section titled “*Our Business — Insurance*” on page 181. Further, our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected.

External Risk Factors

40. *The Offer Price, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.* “

The Offer Price of the Equity Shares is proposed to be determined through a book-building process. The market price of the Equity Shares, market capitalization to total revenue multiple and price to earnings ratio based on the Offer Price may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

41. *A slowdown in economic growth in India could adversely affect our business.*

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India’s economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting housing, tourism and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial or political turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

42. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

43. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.*

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For further details, please see “*Key Regulations and Policies in India*” on page 182.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

The Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Red Herring Prospectus, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations.

There can be no assurance that the Government of India will not implement new regulations and policies requiring us to obtain approvals and licenses from the Government of India or other regulatory bodies or impose onerous requirements and conditions on our operations. 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 financial condition.

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 affect the viability of our current business or restrict our ability to grow our business in the future.

44. *Significant differences exist between Ind AS and other accounting principles, such as IFRS and US GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.*

Our financial statements included in this Draft Red Herring Prospectus are prepared and presented in conformity with Ind AS, in each case restated in accordance with the requirements the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2016)” issued by the ICAI. Ind AS differs from other accounting principles with which prospective investors may be familiar in

other countries, such as IFRS and U.S. GAAP. As a result, the financial statements prepared under Ind AS for Financial Years 2023, 2022 and 2021 may not be comparable to our historical financial statements. Accordingly, the degree to which the 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. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

45. *Financial and geo-political instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial and geo-political turmoil in Asia, Europe and the Middle East and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial and geo-political instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. 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 and geo-political issues in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption or geo-political concerns could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

46. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.*

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on Stock Exchanges in India. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies;

- general elections in the year 2024; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. For example, our Manufacturing Facilities are located in western India, hence any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect our operations.

47. *If inflation were to rise further in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has initiated fiscal measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

48. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.*

India's sovereign rating is Baa3 with a "negative" outlook (Moody's), BBB- with a "stable" outlook (S&P) and BBB- with a "stable" outlook (Fitch). 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 financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

RISKS RELATING TO THE EQUITY SHARES AND THE OFFER

49. *Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following their listing of our Equity Shares on the Stock Exchanges.*

The purchase price of our Equity Shares in the Offer will be determined by our Company in consultation with the BRLM, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in "Basis for the Offer Price" on page 83. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Equity Shares allotted in this Offer are expected to trade on Stock Exchanges after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history and prospects for our business;
- An assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures;
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affecting our business;
- additions or departures of Key Managerial Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

50. *Any future issuance of Equity Shares by us or sales of Equity Shares by our Promoter could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.*

As disclosed in “*Capital Structure*” beginning on page 64, an aggregate of 20% of the Offer shall be considered as minimum Promoters’ Contribution and locked in for a period of eighteen (18) months and the balance Equity Shares held by the Promoters following the Offer will be locked-in for six (6) months from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in “*Capital Structure*” beginning on page 64, there is no restriction on disposal of Equity Shares by promoter. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that our Promoter will not sell, pledge or encumber his Equity Shares after the lock-in period expires. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Offer Price. Sales of Equity Shares by the Promoter could also adversely affect the trading price of our Equity Shares.

51. *You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the Stock Exchanges.*

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant’s demat account with depository participant could take approximately three Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors’ ability to dispose their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors’ demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. 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. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

53. *QIBs and Non-Institutional Bidders 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 Bidders are not permitted to withdraw their Bids after Bid/ Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six (6) Working Days from the Bid/ Offer Closing Date, events affecting the Bidders’ decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

54. *Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.*

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of Equity Shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares	Up to [●] Equity Shares of face value of ₹10 each fully paid up of our Company for cash at a price of ₹[●] per Equity Shares, aggregating up to ₹ [●] million
<i>of which:</i>	
Fresh Issue ^{(1) ^}	Up to [●] Equity Shares, aggregating up to ₹ 450.00 million
Offer of Equity Shares by way of Offer for Sale by the Promoter Selling Shareholders ^{(1) (2)}	Up to 78,00,000 Equity Shares, aggregating up to ₹ [●] million
The Offer Comprise of:	
A) QIB Portion ^{(3) (4)}	Not more than [●] Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) ⁽³⁾	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion ⁽⁵⁾	Not less than [●] Equity Shares
<i>of which:</i>	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 2,00,000 to ₹ 10,00,000	[●] Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10,00,000	[●] Equity Shares
C) Retail Portion ⁽⁴⁾	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	3,71,04,000 Equity Shares
Equity Shares outstanding after the Offer*	[●] Equity Shares
Use of Net Proceeds	See “ <i>Objects of the Offer</i> ” beginning on page 74 for information on the use of the proceeds. Our Company will not receive any proceeds from the Offer for Sale.

- (1) The Offer has been authorised by our Board pursuant to resolutions passed at their meeting held November 1, 2023, and by our Shareholders pursuant to a special resolution dated November 20, 2023. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale in its meeting held on November 1, 2023. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made first towards the sale of the Offered Shares and only thereafter, towards the balance Fresh Issue.
- (2) The Equity Shares being offered by the Promoter Selling Shareholders have been held by them for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholders, severally and not jointly, have confirmed and authorized their respective participation in the Offer for Sale, as stated below:

Sr. No.	Name of the Promoter Selling Shareholder	Date of the consent letter	Number of Equity Shares and aggregate amount of Offer for Sale
1.	Jogindersingh Jaswal	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million
2.	Ketan Ramani	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million
3.	Pritesh Ramani	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million

- (3) Our Company and Promoter Selling Shareholders may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% 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, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, 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 in proportion to their Bids For further details, see “Offer Procedure” on page 317.
- (4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail 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 and Promoter Selling Shareholder, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from any other category or a combination of categories. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made pro rata towards Equity Shares offered by the Promoter Selling Shareholder, and thereafter, towards the balance Fresh Issue. For further details, please see “Terms of the Offer” on page 306.
- (5) Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 2,00,000 and up to ₹ 10,00,000, and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 10,00,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the 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 in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.
- (6) Allocation to Bidders in all categories, except the Anchor Investors, NIBs and RIBs, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see “Offer Procedure” on page 317.

For details, including in relation to grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on pages 313 and 317, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 306.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Statements. The summary of financial information presented below has been prepared in accordance with Ind AS for the period three months period ended June 30, 2023 and the Financial years ended 2023, 2022 and 2021 restated in accordance with the SEBI ICDR Regulations and are presented in the section “Restated Financial Statements” beginning on page 215. The summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes and annexures thereto and the section “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 268.

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KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Assets and Liabilities

(Rs. in Million)

Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Assets				
I. Non-current assets				
(a) Property, plant and equipment	157.17	159.12	88.40	57.45
(b) Capital work-in-progress	-	-	-	3.99
(c) Right-of-use assets	-	-	24.59	34.43
(d) Financial assets				
(i) Investments	0.25	0.25	0.25	0.25
(ii) Other Financial Asset	95.75	35.75	9.75	15.75
(e) Deferred Tax Asset (net)	3.68	3.42	3.28	2.37
(f) Other non-current assets	-	-	-	0.01
	256.85	198.54	126.27	114.25
II. Current assets				
(a) Inventories	84.90	91.73	75.11	54.94
(b) Financial assets				
(i) Trade Receivables	183.40	185.51	258.01	154.43
(ii) Cash and cash equivalent	30.10	24.83	2.86	10.54
(iii) Bank balances other than(ii) above	60.85	10.79	25.24	10.00
(iv) Other Financial Asset	13.58	23.51	74.02	25.98
(c) Other current assets	5.14	5.43	6.38	6.32
	377.97	341.80	441.61	262.21
Total assets	634.82	540.34	567.88	376.46
Equity and liabilities				
Equity				
(a) Equity share capital	371.04	371.04	2.41	2.41
(b) Other equity	139.40	75.75	401.12	265.73
Total Equity	510.44	446.79	403.53	268.14
Liabilities				
I. Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	-	4.72	-
(ii) Lease Liabilities	-	-	16.82	27.18
(b) Provisions	4.85	4.87	5.20	1.72
	4.85	4.87	26.74	28.90
II. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	-	1.70	0.13
(ii) Lease Liabilities	-	-	10.36	8.90
(iii) Trade payables				
Total outstanding dues of micro enterprise and small enterprise	29.04	28.60	60.13	15.04
Total outstanding dues of creditors other than micro enterprise and small enterprise	51.19	49.50	55.08	50.50
(b) Other current liabilities	20.25	5.60	2.17	2.24
(c) Provisions	6.24	6.37	6.08	2.47
(d) Current Tax Liabilities (Net)	12.82	(1.39)	2.09	0.13
	119.53	88.68	137.61	79.41
Total equity and liabilities	634.82	540.34	567.88	376.46

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Profit and Loss

(Rs. in Million)

Particulars	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	259.52	955.78	822.47	624.60
Other income	2.43	19.20	10.93	7.76
Total revenue	261.95	974.98	833.40	632.36
Expenses				
Cost of materials consumed	117.65	580.12	479.84	343.63
Change in inventories of finished goods and Work in Progress	16.84	(31.30)	(5.84)	0.45
Employee benefits expense	18.19	70.27	57.46	53.91
Finance costs	-	0.93	4.05	3.82
Depreciation and amortisation expenses	3.18	14.97	20.29	19.76
Other expenses	21.66	116.73	94.05	78.58
Total expenses	177.52	751.72	649.85	500.15
Profit/(Loss) before taxes	84.43	223.26	183.55	132.21
Tax Expenses :				
Current Tax	21.76	57.94	47.90	35.54
Deferred Tax	(1.15)	(0.84)	(0.62)	(0.63)
Profit/(Loss) for the year	63.82	166.17	136.27	97.30
Other Comprehensive Income				
(A) Items that will not be reclassified to Statement of Profit and Loss				-
(i) Defined benefit Plan liability / asset	0.71	2.80	(1.19)	0.14
(ii) Tax impact on above item	(0.88)	(0.71)	0.30	(0.04)
(B) Items that will be reclassified to Statement of Profit and Loss	-	-	-	-
Total Other Comprehensive Income (After Tax)	(0.17)	2.10	(0.89)	0.11
Total Comprehensive Income	63.65	168.26	135.39	97.40
Earning per Equity Share				
Basic & Diluted (Amount in Rs.)	1.72	4.31	3.49	2.40

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Cash Flows

(Rs. in Million)

Particulars		For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net profit before tax	84.43	223.26	183.55	132.21
	<u>Adjustments for:</u>				
	Add : Depreciation and amortisation	3.18	14.97	20.29	19.76
	Interest Expenses	-	0.93	4.05	3.82
	Allowance for credit losses Financial Asset	-	(0.07)	(0.08)	0.02
	Interest Income	(1.48)	(4.25)	(3.20)	(2.78)
	Accrued Defined Benefit Plan Liability	0.70	2.81	2.54	1.37
	Dividend Income	-	(0.00)	(0.00)	(0.00)
	Gain on lease termination	-	(2.62)	-	-
	(Profit)/Loss on sales of assets	-	(0.11)	(0.26)	(0.27)
	Operating Profit before Working Capital Changes	86.83	234.92	206.89	154.14
	<u>Adjustments for:</u>				
	Trade Receivables	2.11	72.56	(103.50)	0.02
	Other Current Assets	0.30	0.94	(0.06)	3.95
	Inventories	6.84	(16.62)	(20.17)	(4.54)
	Non current assets	-	-	0.01	0.08
	Trade payables & Provisions	1.97	(37.15)	55.00	(4.18)
	Other Current Liabilities	28.85	(0.06)	(0.07)	(0.77)
	Cash Generated from Operations	40.07	19.67	(68.79)	(5.44)
	Less : Direct Taxes paid	21.76	57.94	47.90	35.54
	Net Cash generated from operating activities (i)	105.14	196.65	90.20	113.14
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(1.21)	(84.15)	(37.96)	(16.50)
	Bank Deposits (palced)/matured	(50.07)	15.52	(48.04)	(9.14)
	Security Deposits (placed)/matured	-	9.00	6.00	(7.50)
	Increase in Investment	-	-	-	-
	Sale of fixed assets	-	0.21	0.81	0.80
	Interest Income	1.48	4.25	3.20	2.78
	Dividend Income	-	0.00	0.00	0.00
	Net cash generated from investing activities (ii)	(49.80)	(55.17)	(75.99)	(29.56)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Interest Expense	-	(0.93)	(4.05)	(3.82)
	Proceeds from borrowings	-	-	6.29	(0.13)
	Repayment of other Financial Liabilities	-	(8.02)	(8.90)	(8.19)
	Buy Back of Shares	-	(125.00)	-	(58.81)
	Net cash generated from financial activities (iii)	-	(133.96)	(6.66)	(70.95)
	Net change in cash and cash equivalents (i+ii+iii)	55.34	7.52	7.56	12.63
	Cash and cash equivalents* at the beginning of the year	35.62	28.10	20.54	7.91
	Cash and cash equivalents at the end of the year*	90.96	35.62	28.10	20.54
	*Cash & cash equivalents includes:				
	Cash in hand	0.43	0.30	0.18	0.35
	Balances with Scheduled Bank	29.67	24.53	2.68	10.19
	Fixed Deposit With Banks(having remaining maturity period less than 3 months from the reporting date)	60.85	10.79	25.24	10.00

GENERAL INFORMATION

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follow:

Corporate identity number: U24117GJ2008PLC055460

Company registration number: 055460

Registered Office of our Company

Kronox Lab Sciences Limited

Block No. 353, Village Ekalbara,

Vadodara 391 440,

Gujarat, India

Tel +91 26 622 44 077

E-mail: cs@kronoxlabsciences.com

Website: www.kronoxlabsciences.com

Corporate Office of our Company

Kronox Lab Sciences Limited

Block No. 284, Village Dabhasa,

Padra, Vadodara,

Gujarat, India

Registrar of Companies

Our Company is registered with the Registrar of Companies, Gujarat at Ahmedabad which is situated at the following address:

ROC Bhavan,

Opposite Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad 380 013, Gujarat, India

Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

Name of director	Designation	DIN	Address
Jogindersingh Jaswal	Chairman and Managing Director	02385809	F-80, Pujan Tenament, Duplex, Darbar Chokdi, Manjalpur, Vadodara 390 011, Gujarat, India
Ketan Ramani	Whole-time Director	01510833	10B, Adinath Duplex, Near Jain Temple, Manjalpur, Vadodara 390 011, Gujarat, India
Pritesh Ramani	Whole-time Director	02392939	3, Krupal Society-1, Near Deep Chamber, Manjalpur, Vadodara 390 011, Gujarat, India
Satish Kumar	Independent Director	09397588	K. No. 2014, Sector – 44 C, Chandigarh 160 047, India
Krutika Negandhi	Independent Director	09703512	B-17/164, GIDC Colony, GIDC Road, Makarpura Road, Vadodara 390 010, Gujarat, India
Parth Shah	Independent Director	09708808	1-B, Shantinagar Society, Near Urmi Char Rasta, Alkapuri, Vadodara 390 007, Gujarat, India

For further details of our Board of Directors, see “Our Management – Board of Directors” on page 189 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Nikhil Goswami

Block No. 353,

Village Ekalbara, Padra,

Vadodara 391 440, Gujarat, India
Tel.: +91 26 622 44 077
E-mail: cs@kronoxlabsciences.com

Investor Grievances

Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances 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. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

All offer related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer 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, 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 the Acknowledgment Slip or the application number from the Designated Intermediaries 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 Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, 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 BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor

Book Running Lead Manager

Pantomath Capital Advisors Private Limited

Pantomath Nucleus House, Saki Vihar Road,
Andheri East, Mumbai - 400072

Maharashtra, India

Tel: +91 22 6194 6700

E-mail: kronox.ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Investor grievance e-mail: ipo@pantomathgroup.com

Contact Person: Ritu Agarwal / Ashish Baid

SEBI Registration No.: INM000012110

Syndicate Members

[•]

Statement of *inter-se* allocation of responsibilities among the Book Running Lead Manager

Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

Legal Counsel to the Offer

Desai & Diwanji

Forbes Building, 4th floor,
Charanjit Rai Marg,
Fort, Mumbai 400 001

Maharashtra, India

Tel: +91 22 4560 1000

Registrar to the Offer

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)

Selenium Tower B, Plot No. 31-32,
Gachibowli Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032,
Telangana, India

Telephone: +91 40 6716 2222

Email: ksls.ipo@kfintech.com

Investor grievance email: einward.ris@kfintech.com

Website: www.kfintech.com

Contact Person: M. Murali Krishna

SEBI Registration No.: INR000000221

Banker(s) to the Offer

Escrow Collection Bank(s)

[•]

Refund Bank(s)

[•]

Public Offer Bank(s)

[•]

Sponsor Bank(s)

[•]

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services 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?doRecognised=yes> and updated from time to time and at such other websites 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 RIB using the UPI Mechanism), not Bidding through Syndicate / Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI Mechanism

In accordance with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by the SEBI, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is provided on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted under ASBA process 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>) as updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?andhttp://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?andhttp://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm and on the website of NSE at http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Financial Statements dated November 18, 2023 and in respect of the statement of possible tax benefits dated November 22, 2023. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 4, 2023 from M/s. Adharshila Associates, Independent Chartered Engineer 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 their capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilisation of manufacturing units of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Statutory Auditor of our Company

Mahesh Udhwani & Associates

Chartered Accountants

3rd floor, Satyam Building,
Opposite Old Vuda Office,
Fatehgunj, Vadodara,
Gujarat – 390024, India.

E-mail: mahesh@maheshudhwani.com

Telephone: +91 0265 278 5858

Firm registration number: 12978W

Peer review number: 014453

Contact Person: Mahesh Udhwani

Changes in auditors

There has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

Bankers to our Company

HDFC Bank Limited Shivsundaram Complex, Opp. Deep Chambers, Kubereshwar Mahadev Road, Manjalpur, Vadodara 390 011, Gujarat, India Telephone: 9327585761 Contact Person: Vinod Gule Email: vinod.gule@hdfcbank.com Website: www.hdfcbank.com	Bank of India Raopura, P.B No 132, Vadodara 390 011, Gujarat, India Tel.: 026 524 34316 Contact Person: Ravinder Singh E-mail: vadodara.vadodara@bankofindia.co.in Website: www.bankofindia.co.in
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Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

Our Company is not required to appoint monitoring agency for the purpose Offer since the size of the Fresh Issue is less than ₹1,000 million. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” beginning on page 74 of this Draft Red Herring Prospectus.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an Offer of Equity Shares, there is no credit rating required for the Offer.

Debenture Trustee

As this is an Offer of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing

A copy of this Draft Red Herring Prospectus is being filed electronically with SEBI at cfddil@sebi.gov.in in accordance with the SEBI circular dated March 27, 2020, in relation to “*Easing of Operational Procedure – Division of Issues and Listing – CFD*” and on the SEBI’s online portal at <https://siportal.sebi.gov.in>, in accordance with SEBI master circular bearing reference no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023 as specified in Regulation 25(8) of the SEBI ICDR Regulations.

It will also be filed with SEBI at the following address:

Securities and Exchange Board of India

Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, ‘G’ Block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, shall be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 shall be filed with the RoC at its office, and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company and Promoter Selling Shareholders in consultation with the Book Running Lead Manager, and shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●], a Gujarati newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office is located, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company and Promoter Selling Shareholders in consultation with the BRLM after the Bid/ Offer Closing Date. For details, see “Offer Procedure” beginning on page 317 of this Draft Red Herring Prospectus.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. UPI Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. 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 whose application sizes are up to ₹ 5,00,000 shall use the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Bidders will be on a proportionate basis while Allocation to the Anchor Investors will be on a discretionary basis. The allocation to each Retail Individual Investor and Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

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 Offer.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For Further details on the method and procedure for Bidding see “Offer Structure” and “Offer Procedure” beginning on pages 313 and page 317, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company shall enter into an Underwriting Agreement with the Underwriters for the Equity Shares offered in the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement will be dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(₹ in million)

Name, address, telephone and e-mail of Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after determination of Offer Price and Basis of Allotment and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the aforementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The aforementioned Underwriters are merchant bankers registered with our Board or stock brokers registered with the Stock Exchanges. Our Board at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A.	Authorized Share Capital⁽¹⁾		
	5,40,00,000 Equity Shares of face value of ₹ 10 each	54,00,00,000	-
B.	Issued, Subscribed and Paid-up Equity Share Capital before the Offer		
	3,71,04,000 Equity Shares of face value of ₹ 10 each	37,10,40,000	-
C.	Present Offer in terms of this Draft Red Herring Prospectus		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each at a price of ₹ [●] each aggregating to up to ₹ 450.00 million ⁽²⁾	[●]	[●]
	Offer for Sale of up to 78,00,000 Equity Shares aggregating to ₹ [●] million ⁽³⁾	[●]	[●]
D.	Issued, Subscribed and Paid-up Equity Share Capital after the Offer*		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
E.	Securities Premium Account		
	Before the Offer	Nil	
	After the Offer	[●]	

*To be updated upon finalization of the Offer Price.

- (1) For details of the changes to the authorised share capital of our Company in the past 10 years, see "History and Certain Corporate Matters - Amendments to our Memorandum of Association" on page 186 of this Draft Red Herring Prospectus.
- (2) Our Board has authorised the Offer, pursuant to their resolution dated November 1, 2023. Our Shareholders have authorised the Fresh Issue pursuant to their special resolution dated November 20, 2023. Our Board has taken on record the consent and authorisation of the Promoter Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated November 1, 2023.
- (3) Each of the Promoter Selling Shareholders, severally and not jointly, confirms that their respective portions of the Offered Shares are eligible for being offered for sale in the Offer in accordance with Regulation 8 of the SEBI ICDR Regulations. Each of the Promoter Selling Shareholders has, severally and not jointly, confirmed and authorised their participation in the Offer for Sale. For details on authorisation of the Promoter Selling Shareholders in relation to their respective portions of the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 295.

1. Notes to the Capital Structure

(a) Equity Share Capital history of our Company

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price (including premium, if any (₹))	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
On incorporation (i.e. November 18, 2008)	10,000	10.00	10.00	Subscription to the MoA ⁽¹⁾	Cash	10,000	1,00,000
May 25, 2009	2,40,000	10.00	10.00	Further issue ⁽²⁾	Cash	2,50,000	25,00,000
December 18, 2020	(9,000)	10.00	5,300.00	Buy-back ⁽³⁾	Cash	2,41,000	24,10,000
August 16, 2022	3,88,01,000	10.00	N.A.	Bonus issue ⁽⁴⁾	Other than cash	3,90,42,000	39,04,20,000
January 24, 2023	(19,38,000)	10.00	64.50	Buy-back ⁽⁵⁾	Cash	3,71,04,000	37,10,40,000

Notes:

- (1) Allotment of 3,500 Equity Shares to Jogindersingh Gianchand Jaswal, 3,500 Equity Shares to Ketan Vinodchandra Ramani and, 3,000 Equity Shares to Pritesh Vinodchandra Ramani.
 - (2) Allotment of 84,000 Equity Shares to Jogindersingh Gianchand Jaswal, 84,000 Equity Shares to Ketan Vinodchandra Ramani and, 72,000 Equity Shares to Pritesh Vinodchandra Ramani.
 - (3) Buyback of 3,150 Equity Shares of Jogindersingh Gianchand Jaswal, 3,150 Equity Shares of Ketan Vinodchandra Ramani and, 2,700 Equity Shares of Pritesh Vinodchandra Ramani.
 - (4) Allotment of 1,35,77,130 Equity Shares to Jogindersingh Gianchand Jaswal, 1,35,75,520 Equity Shares to Ketan Vinodchandra Ramani, 1,16,38,690 Equity Shares to Pritesh Vinodchandra Ramani, 1,610 Equity Shares to Ankit Jaswal, 1,610 Equity Shares to Anjukumari Jaswal, 1,610 Equity Shares to Rupal Ketan Ramani, 1,610 Equity Shares to Dhruvil Ramani, 1,610 Equity Shares to Pooja Ketan Ramani and 1,610 Equity Shares to Deepali Pritesh Ramani.
 - (5) Buyback of 6,78,300 Shares of Jogindersingh Gianchand Jaswal, 6,78,300 Equity Shares of Ketan Vinodchandra Ramani and, 5,81,400 Equity Shares of Pritesh Vinodchandra Ramani.
- (b) As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

2. Issue of Equity Shares for consideration other than cash

Except as set out below, our Company has not issued Equity Shares for consideration other than cash:

Date of Allotment	Reason for Allotment	Number of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
August 16, 2022	Bonus issue in the ratio of 161:1 i.e. one hundred and sixty one (161) Equity Shares for every one (1) Equity Share ⁽¹⁾	3,88,01,000	10.00	NA	-

Notes:

- (1) Allotment of 1,35,77,130 Equity Shares to Jogindersingh G Jaswal, 1,35,75,520 Equity Shares to Ketan Vinodchandra Ramani, 1,16,38,690 Equity Shares to Ramani Pritesh V, 1,610 Equity Shares to Ankit J Jaswal, 1,610 Equity Shares to Anjukumari Jaswal, 1,610 Equity Shares to Rupal Ketan Ramani, 1,610 Equity Shares to Dhruvil Ramani, 1,610 Equity Shares to Pooja Ketan Ramani, 1610 Equity Shares to Ramani Deepali Pritesh by way of bonus in the ratio of 161:1 one hundred and sixty one (161) Equity Shares for every one (1) Equity Share.
3. Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.
 4. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.
 5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
 6. All transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
 7. Our Company has not issued any Equity Shares at a price lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus.

8. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR,1957) (VIII) as a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)	Number of Equity Shares held in dematerialized form (XIV)			
								Number of Voting Rights					Total as a % of (A+B+C)	Number (a)			As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)
								Class (Equity Shares)	Class (Others)	Total									
(A)	Promoters and Promoter Group	9	3,71,04,000	-	-	3,71,04,000	100.00	3,71,04,000	-	3,71,04,000	100.00	-	-	-	-	-	3,71,04,000		
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	9	3,71,04,000	-	-	3,71,04,000	100.00	3,71,04,000	-	3,71,04,000	100.00	-	-	-	-	-	-	3,71,04,000	

9. **Other details of Shareholding of our Company**

- (a) As on the date of the filing of this Draft Red Herring Prospectus, our Company has nine (9) shareholders of Equity Shares.

S. No.	Name of the shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	1,29,83,160	34.99
2.	Ketan Ramani	1,29,81,540	34.99
3.	Pritesh Ramani	1,11,29,580	30.00
4.	Ankit Jaswal	1,620	Negligible
5.	Anjukumari Jaswal	1,620	Negligible
6.	Rupal Ramani	1,620	Negligible
7.	Dhruvil Ramani	1,620	Negligible
8.	Pooja Parshva Gandhi	1,620	Negligible
9.	Deepali Ramani	1,620	Negligible
	Total	3,71,04,000	100

- (b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	1,29,83,160	34.99
2.	Ketan Ramani	1,29,81,540	34.99
3.	Pritesh Ramani	1,11,29,580	30.00
	Total	3,70,94,280	99.97

- (c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	1,29,83,160	34.99
2.	Ketan Ramani	1,29,81,540	34.99
3.	Pritesh Ramani	1,11,29,580	30.00
	Total	3,70,94,280	99.97

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	1,36,61,460	36.82
2.	Ketan Ramani	1,36,59,840	36.82
3.	Pritesh Ramani	1,17,10,980	31.56
	Total	3,90,32,280	99.98

- (e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the shareholder	Number of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)
1.	Jogindersingh Jaswal	84,330	0.23
2.	Ketan Ramani	84,320	0.23
3.	Pritesh Ramani	72,290	0.19
	Total	2,40,940	0.65

10. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Offer. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, 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 of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.
11. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

12. Details of acquisition of specified securities in the last three (3) years:

None of the specified securities were acquired in the last three (3) years, by our Promoter and member of our Promoter Group from the date of this Draft Red Herring Prospectus.

13. Details of shareholding of our Promoters and members of our Promoter Group

- a. Build-up of the Equity shareholding of our Promoters in our Company

The build-up of the Equity shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/ Acquisition Price Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of the pre- Issue capital (%)	Percentage of the post- Offer capital (%)
(A) Jogindersingh Jaswal							
November 18, 2008	Upon incorporation	3,500	10.00	10.00	Cash	0.01	[●]
May 25, 2009	Further issue	84,000	10.00	10.00	Cash	0.23	[●]
May 15, 2019	Transfer to Anjukumari Jaswal	(10)	10.00	10.00	Cash	Negligible	[●]
May 15, 2019	Transfer to Ankit Jaswal	(10)	10.00	10.00	Cash	Negligible	[●]

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/ Acquisition Price Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of the pre-Issue capital (%)	Percentage of the post-Offer capital (%)
December 18, 2020	Buyback	(3,150)	10.00	5,300.00	Cash	(0.02)	[●]
August 16, 2022	Bonus issue	1,35,77,130	10.00	NIL	Other than Cash	36.59	[●]
January 24, 2023	Buyback	(6,78,300)	10.00	64.50	Cash	(1.83)	[●]
	Total	1,29,83,160				34.99	[●]
(B) Ketan Ramani							
November 18, 2008	Upon incorporation	3,500	10.00	10.00	Cash	0.01	[●]
May 25, 2009	Further issue	84,000	10.00	10.00	Cash	0.23	[●]
May 15, 2019	Transfer to Dhruvil Ramani	(10)	10.00	10.00	Cash	Negligible	[●]
May 15, 2019	Transfer to Pooja Ramani	(10)	10.00	10.00	Cash	Negligible	[●]
May 15, 2019	Transfer to Rupal Ramani	(10)	10.00	10.00	Cash	Negligible	[●]
December 18, 2020	Buyback	(3,150)	10.00	5,300	Cash	(0.01)	[●]
August 16, 2022	Bonus issue	13,575,520	10.00	NA	Other than cash	36.59	[●]
January 24, 2023	Buyback	(6,78,300)	10.00	64.50	Cash	(1.83)	[●]
	Total	1,29,81,540				34.99	[●]
(C) Pritesh Ramani							
November 18, 2008	Upon Incorporation	3,000	10.00	10.00	Cash	0.01	[●]
May 25, 2009	Further Issue	72,000	10.00	10.00	Cash	0.19	[●]
May 15, 2019	Transfer to Deepali Ramani	(10)	10.00	10.00	Cash	Negligible	[●]
December 18, 2020	Buyback	(2,700)	10.00	5130	Cash	(0.01)	[●]
August 16, 2022	Bonus issue	1,16,38,690	10.00	NIL	Other than Cash	31.37	[●]
January 24, 2023	Buyback	(5,81,400)	10.00	64.50	Cash	(1.57)	[●]
	Total	1,11,29,580				30.00	
	Grand total (A+B+C)	3,70,94,280				99.97	

b. Details of Equity shareholding of our Promoters and Promoter Group in our Company

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group, in aggregate, 3,71,04,000 holds Equity Shares, equivalent to 100% of the issued, subscribed, and paid-up Equity Share capital of our Company, as set forth in the table below:

S. No	Name of the shareholder	Pre-Offer		Post-Offer*	
		Number of Equity Shares held	% of the pre-Offer paid up Equity Share capital	Number of Equity Shares held	% of the post-Offer paid up Equity Share capital
Promoters					
1.	Jogindersingh Jaswal	1,29,83,160	34.99	[●]	[●]
2.	Ketan Ramani	1,29,81,540	34.99	[●]	[●]
3.	Pritesh Ramani	1,11,29,580	30.00	[●]	[●]
	Total (A)	3,70,94,280	99.97	[●]	[●]
Promoter Group					
4.	Ankit Jaswal	1,620	Negligible	[●]	[●]
5.	Anjukumari Jaswal	1,620	Negligible	[●]	[●]
6.	Rupal Ramani	1,620	Negligible	[●]	[●]
7.	Dhruvil Ramani	1,620	Negligible	[●]	[●]
8.	Pooja Parshva Gandhi	1,620	Negligible	[●]	[●]
9.	Deepali Ramani	1,620	Negligible	[●]	[●]
	Total (B)	9,720	0.03	[●]	[●]
	Total (A+B)	3,71,04,000	100	[●]	[●]

*Subject to finalisation of Basis of Allotment.

- c. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
- d. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.
- e. All Equity Shares held by our Promoters and our Promoter Group are in dematerialized form as on the date of filing of the Draft Red Herring Prospectus.
- f. None of our Promoters, the members of our Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
- g. There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

14. Details of Promoter's contribution and lock-in

- a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital of our Company held by our Promoters shall be locked in for a period of eighteen months as minimum promoter's contribution from the date of Allotment ("Promoter's Contribution"), and the Promoter's shareholding in excess of 20% of the post-Offer Equity Share capital shall be locked-in for a period of six months from the date of Allotment.
- b) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Promoter's Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	Number of Equity Shares**	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	Number of Equity Shares locked-in*	Percentage of the post-Offer paid up capital (%)	Date up to which the Equity Shares are subject to lock-in
Jogindersingh Jaswal	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Ketan Ramani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Pritesh Ramani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

*Subject to finalisation of Basis of Allotment.

**All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

- c) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the post-Offer Equity Share capital of our Company as Promoter's Contribution.
- d) Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.
- e) Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:
 - i. The Equity Shares offered for Promoter's Contribution do not comprise Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;
 - ii. The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
 - iii. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
 - iv. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.
 - v. All the Equity Shares held by our Promoters are held in dematerialised form as on the date of this Draft Red Herring Prospectus.

15. Details of Equity Shares locked in for six months

In addition to the Promoter's Contribution which will be locked in for 18 (eighteen) months, as specified above, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of 6 (six) months from the date of Allotment, including any unsubscribed portion of the Offer for sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

16. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner:

There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

17. Recording on non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

18. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- (a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

19. Our Company, the Promoter Selling Shareholders, the Directors and the BRLM have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
20. All Equity shares issued or transferred pursuant to the Offer shall be full 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.
21. Except as disclosed in "*Our Management*" beginning on page 189 of this Draft Red Herring Prospectus, none of our Directors or KMPs or SMPs hold any Equity Shares in our Company.
22. As on the date of this Draft Red Herring Prospectus, the BRLM and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company. The BRLM 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.

23. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.
24. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM); nor (ii) any person related to the Promoters or Promoter Group can apply under the Anchor Investor Portion.
25. Except for the Promoter Selling Shareholders, who are offering their Equity shares in the Offer for Sale, none of our Promoters or the members of our Promoter Group will participate in the Offer.
26. Our Company will ensure that there shall be only one denomination of Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with disclosure and accounting norms as specified by SEBI from time to time.
28. No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
29. As on the date of this Draft Red Herring Prospectus, there is no Employee Stock Option Plan (“**ESOP**”) in our Company. The Company may formulate a suitable ESOP Policy which will be placed before the Board of Directors and Shareholders of the Company for approval.

OBJECTS OF THE OFFER

The Offer comprises the Offer for Sale and the Fresh Issue. The Fresh Issue comprises of up to [●] Equity Shares, aggregating up to ₹ 450.00 million to be issued by our Company and the Offer for Sale comprises of up to 78,00,000 Equity Shares, aggregating up to ₹ [●] million by the Promoter Selling Shareholders.

Offer for Sale

The Promoter Selling Shareholders will be entitled to receive the proceeds from the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale will only be received by the Promoter Selling Shareholders and the same will not form part of the Net Proceeds. For further details of the Offer for Sale, please refer to chapter titled “*The Offer*” beginning on page 51.

Objects of the Fresh Issue

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

1. Funding working capital requirements of our Company; and
2. General corporate purposes.

(Collectively, referred to as the “**Objects**”)

In addition, our Company expects to achieve the benefits of listing of the Equity Shares on the Stock Exchanges and enhance our Company’s brand name and image amongst our existing and potential customers.

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

Net Proceeds

After deducting the expenses related to the Offer from the Gross Proceeds, we estimate the Net Proceeds of the Fresh Issue to be ₹ [●] million. The details of the Net Proceeds of the Offer are summarized in the table below.

(₹ in million)	
Particulars	Amount ⁽¹⁾
Gross Proceeds from the Offer ⁽¹⁾	Up to 450.00
(Less) Offer related expenses in relation to the Fresh Issue ⁽²⁾	[●]
Net Proceeds ⁽¹⁾	[●]

⁽¹⁾ To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC.

⁽²⁾ The Offer related expenses shall vary depending upon the final offer Size and the allotment of Equity Shares.

Utilization of Net Proceeds

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

(₹ in million)		
Sr. No.	Particulars	Amount
3.	Funding working capital requirements of our Company	304.00
4.	General corporate purposes ⁽¹⁾	[●]

⁽¹⁾ To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC. In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Offer.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in million)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds in Fiscal 2024	Estimated Utilisation of Net Proceeds in Fiscal 2025
1.	Funding working capital requirements of our Company	304.00	-	304.00
2.	General corporate purposes #	[●]	[●]	[●]
	Total	[●]	[●]	[●]

*To be finalized upon determination of Offer Price and updated in the Prospectus prior to filing with RoC

#In compliance with Regulation 7(2) of the SEBI ICDR Regulations, the amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the offer.

#In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not met in full or part, the same shall be utilized in the next fiscal year, as may be determined by our Board of Directors, in accordance with applicable laws

In the event of the estimated utilization of the Net Proceeds in a scheduled financial year being not undertaken in full or in part the remaining Net Proceeds shall be utilized in subsequent financial years, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the Objects during the respective periods stated above due to factors including but not limited to (i) global or domestic economic or business conditions; (ii) increased competition; (iii) timely completion of the Offer; (iv) market conditions beyond the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods as may be determined by the Board of Directors of our Company, in accordance with applicable laws. In the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards any of the Objects, as set out above, is lower than the proposed deployment, such balance will be used towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds, in accordance with the Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, we may explore a range of options including utilizing our internal accruals, any additional equity or debt arrangements or both. We believe that such alternate arrangements would be available with our Company to fund any such shortfalls.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified or appraised by any bank, financial institution or any other external agency, please see “Risk Factor - The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Offer”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.” on page 37. The fund requirements are based on current circumstances of the business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, including but not limited to market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the Board of Directors. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our Company may explore a range of options including utilizing our internal accruals or seeking debt financing.

Means of finance

The fund requirements for the aforesaid Objects are proposed to be met entirely from the Net Proceeds and existing internal accruals. Accordingly, we confirm that there is no need for our Company 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 Fresh Issue under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. Subject to applicable laws, in case of a shortfall in raising of the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including but not limited to availing debt financing.

Details of the Objects of the Offer

The details of the Objects are set out below:

1. Funding working capital requirements of our Company.

We provide our High Purity Speciality Fine Chemicals to industries including pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health. Going forward, we intend to expand our product portfolio and geographical reach, expand our capacity for existing products, diversify into new products and explore new applications for our products. All these factors may result in increase in the quantum of working capital requirements. For further details, see “*Our Business*” beginning on page 158.

Our business requires significant amount of working capital and we fund our working capital requirements in the ordinary course of business from internal accruals. Accordingly, we propose to utilise the Net Proceeds in order to partially meet such working capital requirements. The deployment of net proceeds shall be over the course of Fiscal 2025, in accordance with the working capital requirements of our Company.

Existing Working Capital Requirement

The details of working capital requirement of our Company as at three months period ended June 30, 2023, and financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and the source of funding, on the basis of Restated Financial Statements of our Company, as certified by M/s. Keyur Shah and Company, Chartered Accountants through their certificate dated November 23, 2023, are provided in the table below:

(₹ in million)

Particulars	As on June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
<i>Current Assets</i>				
(a) Inventories				
- Raw Materials	35.21	25.20	39.87	25.54
- Work in Process	3.33	9.27	4.54	0.72
- Finished Goods and Stock in Transit	46.36	57.27	30.69	28.68
(b) Financial Assets				
(i) Trade Receivables	183.40	185.51	258.01	154.43
(ii) Cash and bank balances	90.95	35.61	28.10	20.54
(iii) Other Current Assets	18.72	28.94	80.40	32.30
<i>Total Current Assets (A)</i>	377.97	341.80	441.61	262.21
<i>Current Liabilities</i>				
(a) Trade Payables	80.22	78.11	115.21	65.55
(b) Other Current Liabilities and Provisions	39.30	10.57	10.34	4.83
<i>Total Current Liabilities (B)</i>	119.53	88.68	125.55	70.38
<i>Total Working capital Requirement (C=A-B)</i>	258.44	253.12	316.06	191.83
<i>Funding Pattern (D)</i>				
Working Capital Loans from Banks	-	-	-	-
Internal Accruals	258.44	253.12	316.06	191.83

Estimated Working Capital Requirement

We propose to utilize ₹ 304.00 million out of the Net Proceeds in Fiscal 2025 towards our Company’s working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals. On the basis of our existing working capital requirements and the projected working capital requirements, our Board of Directors, pursuant to their resolution dated November 22, 2023, has approved the estimated working capital requirements for Fiscals 2024 and 2025 and the proposed funding of such working capital requirements are stated below:

(₹ in million)

Particulars	Fiscal 2024 (Projected)	Fiscal 2025 (Projected)
Current Assets		
Inventories		
- Raw Materials	29.40	33.12
- Stock in Process	13.27	15.16
- Finished Goods and Stock in Transit	70.61	79.51
Trade Receivables	233.96	269.51
Cash and Bank Balances	43.43	49.02
Other Current Assets	58.84	62.44
Total Current Assets (A)	449.52	508.76
Current Liabilities		
Trade Payables	88.83	99.68
Other Current Liabilities and Provisions	36.48	39.26
Total Current Liabilities (B)	125.31	138.94
Total Working Capital Requirement (C= A-B)	324.21	369.82
Funding Pattern (D)		
Internal Accruals and Net Worth	324.21	65.82
Amount proposed to be utilized from Net Proceeds	-	304.00

*Net Worth of our Company as on June 30, 2023 is ₹ 510.43 million, as per the Restated Financial Statements.

Pursuant to certificate dated November 23, 2023, M/s. Keyur Shah and Company, Chartered Accountants, has confirmed the working capital projections.

Assumptions for Holding Levels

The following table sets forth the details of the holding period (with days rounded to the nearest) considered for our Company for the Fiscals mentioned below:

Particulars	Basis	<i>(in days)</i>				
		Fiscal 2021 (Actual)	Fiscal 2022 (Actual)	Fiscal 2023 (Actual)	Fiscal 2024 (Est.)	Fiscal 2025 (Est.)
(A) Current Assets						
Raw Materials Inventory	Cost of Material Consumed	27	30	16	15	15
Work in Progress Inventory	Cost of Goods Sold	1	3	6	7	7
Finished Goods and Stock in Transit Inventory	Cost of Goods Sold	30	24	38	37	37
Trade Receivables	Revenue from Operations	90	114	71	74	75
(B) Current Liabilities						
Trade Payables	Cost of Material Consumed	70	88	49	46	46

The above details of holding levels as well as projections has been certified by M/s. Keyur Shah and Company, Chartered Accountants, by way of their certificate dated November 23, 2023.

Justification for “Holding Period” levels derived from our Restated Financial Statements

The justifications for the holding levels mentioned in the table above are provided below:

Particulars	Justification
Current Assets	
Raw Materials (RM) Inventory	We procure majority of our raw materials indigenously. Chemicals constitute majority of our raw materials. Historically, our average RM days (Fiscal 2021 and 2022) have been at around 29 days of consumption. However, led by ease of availability of raw materials, particularly after easing of supply chains post pandemic and our efficient inventory management, our RM inventory days reduced to 16 days of consumption in Fiscal 2023. As we grow further, we intend to maintain raw materials equal to 15 days of consumption for both Fiscal 2024 and 2025, given the quick availability.
Work In Progress (WIP) Inventory	Our average WIP inventory days (Fiscal 2021 and 2022) have been at around 2 days of COGS while it was 6 days of Cost of Goods Sold (COGS) in Fiscal 2023. As we grow further, we have assumed to maintain 7 days each of COGS as WIP inventory for both Fiscal 2024 and 2025.
Finished Goods and Stock in Transit Inventory	Our average finished goods inventory days (Fiscal 2021 and 2022) have been at around 27 days of COGS while it was 38 days of COGS in Fiscal 2023. As we grow further, we have assumed to maintain 37 days each of COGS as finished goods inventory for both Fiscal 2024 and 2025.
Trade Receivables	Our average trade receivables days (Fiscal 2021 and 2022) were at 102 days of revenue from operations, led by several factors incl. COVID-19. In Fiscal 2023, our trade receivable days were at 71 days which is in line with the average credit period offered by us to our customers. We have assumed 74 and 75 days of trade receivables for Fiscal 2024 and 2025 respectively.
Current Liabilities	
Trade Payables	For Fiscal 2021 and 2022 our trade payables days were at 70 and 88 days respectively, while in Fiscal 2023, our trade payable days came down to 49 days of raw material consumption. This was mainly due to higher credit days allowed by our suppliers during the COVID-19 pandemic which was settled to normal levels during Fiscal 2023. Going forward, we have assumed almost same level of trade payables (46 days each in both Fiscal 2024 and 2025), as we believe that we would pay our suppliers between 45 to 50 days in normal business scenario.

As certified by M/s. Keyur Shah and Company, Chartered Accountants, by way of certificate dated November 23, 2023.

2. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strengthening sales and marketing capabilities;
- employee and other personnel expenses including but not limited to salaries, wages, statutory payments and welfare activities expenses;
- meeting ongoing general corporate exigencies and contingencies;
- meeting capital expenditure requirements, including towards development/refurbishment/renovation of our assets;
- general expenses of our Company;
- payment of commission and/or fees to any consultants; and
- any other purpose as may be permitted under applicable laws.

The quantum of utilization of funds and deployment thereof towards any or all of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time in compliance with

applicable laws. We, in accordance with the approved policies of our Board of Directors, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately [●] million. The expenses of the Offer include, amongst others, listing fees, selling commission and brokerage, fees payable to the BRLM, fees payable to legal counsel, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, fees payable to the sponsor bank for bids made by UPI bidders, printing and stationery expenses, advertising and marketing expenses, auditor's fees and all other incidental and miscellaneous expenses for listing and trading of the Equity Shares on the Stock Exchanges.

Our Company and the Promoter Selling Shareholder will share the costs and expenses (including all applicable taxes, except STT payable on sale of Offered Shares) directly attributable to the Offer (excluding listing fees, audit fees of the Statutory Auditors and expenses for any corporate advertisements, i.e. any corporate advertisements consistent with past practices of our Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) that will be borne by our Company), on a pro rata basis, based on the proportion of the proceeds received for the Fresh Issue and the respective Offered Shares. Any expenses in relation to the Offer shall initially be paid by our Company, and to the extent of any expense paid by our Company on behalf of the Promoter Selling Shareholder, such expense shall be reimbursed to our Company by the Promoter Selling Shareholder on completion of the Offer, directly from the Public Offer Account, subject to applicable law. Offer expenses shall be shared on a pro-rata basis even if the Offer is not completed.

In the event of withdrawal of the Offer or if the Offer is not successful or consummated, all costs and expenses (including all applicable taxes) with respect to the Offer shall be borne by our Company and the Promoter Selling Shareholder (severally and not jointly) to the extent of their respective proportion of such costs and expenses with respect to the Offer.

The estimated Offer expenses are as under:

Expenses*	Estimated expenses ⁽¹⁾ (₹ in million)	As a % of the total estimated Offer expenses	As a % of the total Gross Offer Proceeds
Fees payable to Book Running Lead Manager (inclusive of underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling Commission/processing fee for SCSBs, Sponsor Bank(s) and fees payable to sponsor bank(s) for bids made by RIBs, Bankers to the Offer(s), Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others including but not limited to: (i) Listing fees, SEBI filing fees, upload fees, BSE and SE processing fees, book building software fees and other regulatory expenses; (ii) Printing and distribution of stationery; (iii) Advertising and marketing expenses; (iv) Fees payable to legal counsel; (v) Fees payable to other advisors to the Offer, including but not limited to Statutory Auditors, Independent Chartered Accountant, industry service provider and Independent Chartered Engineer; and (vi) Miscellaneous expenses	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

*Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus with the RoC.

(1) Offer expenses are estimates and are subject to change.

(2) Amounts and Amounts as a % of of the Total Offer Size Proceeds will be finalised and incorporated in the Prospectus on determination of the Offer Price including applicable taxes, where applicable.

Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	/●/% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	/●/% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price. No additional uploading/processing fees shall be payable by our Company and the Promoter Selling Shareholder to the SCSBs on the applications directly procured by them. The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE .

(3) No processing fees shall be payable by our Company and the Promoter Selling Shareholder to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs for processing the Bid cum Application for the portion of Retail Individual Bidders and Non-Institutional Bidders which are procured by the Syndicate Member/ Sub-Syndicate Members/ Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹ [●] the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ [●] million.

Portion for Retail Individual Bidders	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders	₹ [●] per valid application (plus applicable taxes)

(4) For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs, Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism) and portion for Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders*	/●/% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	/●/% of the Amount Allotted* (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The selling commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member.

The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(5) Uploading charges/ processing charges for applications made by UPI Bidders . In case the total processing charges payable under this head exceeds ₹[●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹[●] million.

Members of Syndicate/RTAs/CDPs/Registered Brokers	₹ [●] per valid application (plus applicable taxes)
Sponsor Bank(s)	₹ [●] per valid Bid cum Application Form (plus applicable taxes)

<i>The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws</i>

(6) Uploading charges/processing charges of ₹ [●] valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, Registered Brokers, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ [●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ [●] million.)

Further the processing fees for Bid cum application forms which are procured by the Registered Brokers/ RTAs / CDPs and submitted to the SCSB for blocking shall be ₹[●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, 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 issued by the SEBI, is provided by such banks.

The offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Bridge Financing

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.

Interim Use of Net proceeds

Pending utilization of the Offer Proceeds for the Objects of the Offer described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

Since the size of the Fresh Issue under this Offer does not exceed ₹ 1,000.00 million, no monitoring agency is required to be appointed for the Offer. Our Board will monitor the utilization of the proceeds of the Offer and 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 Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Offer without being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the 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 proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Appraising agency

None of the Objects of the Offer for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

Other Confirmations

Except to the extent of the proceeds from Offer for Sale that will be received by the Promoter Selling Shareholders (who are also our Promoters), none of our Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel, Group Company or any other parties with whom we have entered, or will enter, into related party transactions, will receive any portion of the Offer Proceeds and there are no material existing or anticipated transactions in relation to utilization of the Offer Proceeds with our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel, Group Company or any other parties with whom we have entered, or will enter, into related party transactions.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company and Promoter Selling Shareholders, in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹ 10 each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Financial Statements. Investors should also refer to the chapters “Risk Factors”, “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 30, 158, 215 and 268, respectively of this Draft Red Herring Prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the Offer Price are:

- Wide range of products finding applications in diversified end user industries
- Long standing relationships with customers
- High entry and exit barriers due to long customer approval cycles and strict product standards
- Focus on R&D and Quality Control
- Zero debt company with strong and consistent financial performance
- Strategically located manufacturing facilities providing supply chain efficiencies
- Experienced Promoters and Senior Management with extensive domain knowledge

For further details, refer to heading “Our Strengths” under the chapter titled “Our Business” beginning on page 158 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the Restated Financial Statements of our Company for the three months period ended June 30, 2023 and Financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, refer section titled “Restated Financial Statements” on page 215 of this Draft Red Herring Prospectus.

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

1. Basic and Diluted Earnings per Share (EPS) at face value of ₹ 10 each, as adjusted for change in capital

Year / Period ended	Basic and diluted EPS (in ₹)	Weight
March 31, 2023	4.31	3
March 31, 2022	3.49	2
March 31, 2021	2.40	1
Weighted average	3.72	
For the three months ended June 30, 2023*	1.72	

*Not Annualised

Notes: -

1. Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard (Ind AS) 33 ‘Earnings per Share’ prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirement of SEBI ICDR Regulations;

2. The ratios have been computed as below:

$$\text{Basic Earnings per share (₹.)} = \frac{\text{Restated profit after tax for the year}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted Earnings per share (₹.)} = \frac{\text{Restated profit after tax for the year}}{\text{Weighted average number of diluted equity shares outstanding during the year}}$$

3. Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued and bought back during the period 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 and effect of bonus share has also been provided while computing the weighted average number of shares;

4. Pursuant to a resolution passed at the general meeting of shareholders dated August 09, 2022 and pursuant to Board resolution dated August 16, 2022, the Company allotted 3,88,01,000 Equity Shares of ₹ 10 each, as fully paid-up Equity Shares by way of bonus in the proportion of 161 (One Hundred Sixty-One) Equity Share of ₹ 10 each for every existing 1 (One) Equity Share of ₹ 10 each. The impact of bonus issue is retrospectively considered for the computation of weighted average number of Equity Shares, earnings per share and net asset value per Equity Share as per the requirement / principles of Ind AS 33, as applicable, in this chapter and across this Draft Red Herring Prospectus;
5. The Company has bought back 19,38,000 and 9,000 fully paid-up equity shares of face value of Rs. 10/- per share during Financial Year 2022-23 and Financial Year 2020-21 respectively.

2. Price to Earnings (P/E) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E Ratio at the Floor Price (no. of times)	PE Ratio at Cap Price (no. of times)
Based on basic EPS for the financial year ended March 31, 2023	[●]	[●]
Based on diluted EPS for the financial year ended March 31, 2023	[●]	[●]

Industry Peer Group P/E ratio

Particulars	P/E Ratio	Company Name
Highest	105.27	DMCC Speciality Chemical Limited
Lowest	37.72	Sigachi Industries Limited
Average	71.50	

3. Return on Net worth (RoNW)

Year / Period ended	RoNW (%)	Weight
March 31, 2023	37.19	3
March 31, 2022	33.77	2
March 31, 2021	36.29	1
Weighted average	35.90	
For the three months ended June 30, 2023*	12.50	

*Not Annualised

Note:

1. $RoNW(\%) = \frac{\text{Restated profit after tax for the year}}{\text{Restated Networth as at the end of the year}}$
2. Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as attributable to the owners of the company as on March 31, 2023, 2022 and 2021.

4. Net Asset Value (NAV) per Equity Share (Face value of ₹ 10 each)

Particulars	NAV per share (₹)
As on March 31, 2023	12.04
As on March 31, 2022	10.40
As on March 31, 2021	6.91
As on June 30, 2023	13.76
Net Asset Value per Equity Share after the Offer at Floor Price	[●]

Particulars	NAV per share (₹)
Net Asset Value per Equity Share after the Offer at Cap Price	[●]

Note:

- NAV per share = $\frac{\text{Restated Networth at the end of the year}}{\text{Total number of equity shares outstanding}}$
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, and credit balance of the non-controlling interest after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation;
- Pursuant to a resolution passed at the general meeting of shareholders dated August 9, 2022, The Company allotted 3,88,01,000 Ordinary Shares of Rs. 10/- each, as fully paid-up Bonus Shares in the proportion of 161 (One Hundred Sixty-One) Bonus Share of Rs. 10/- each for every existing 1 (One) Ordinary Shares of Rs. 10/- each. The impact of bonus of shares is retrospectively considered for the computation of weighted average number of equity shares, earnings per share and net asset value per equity share as per the requirement / principles of Ind AS 33, as applicable, in this chapter and across this Draft Red Herring Prospectus;
- The Company had bought back 19,38,000 and 9,000 fully paid-up equity shares of face value of Rs. 10/- per share during Financial Year 2022-23 and Financial Year 2020-21 respectively.

5. Comparison of Accounting Ratios with listed Industry Peers

We believe there are no listed companies in India engaged in similar product segment(s) as of our Company. However, we have identified following Speciality Chemicals companies which are engaged into similar product range and / or similar supply chain to the end-user industries where our Company also supplies its products. We have provided the below information for broad based comparison since there are no companies having exact product segment matching with our Company:

Name of the Company	Current market price#	EPS (Basic & Diluted)	PAT Margin (%)	RON W (%)	P/E Ratio	NAV (per share)	Face Value (per share)	Total Income	Market Capitalisation (₹ in millions)
Kronox Lab Sciences Limited	[●]	4.31	17.04	37.19	[●]	12.04	10.00	974.98	[●]
Peer-Group									
Tatva Chintan Pharma Chem Limited	1,480.10	20.52	10.59	8.84	72.13	232.25	10.00	4,293.56	34,622.60
Tanfac Industries Limited	2,200.20	56.27	14.66	30.46	39.10	184.74	10.00	3,828.70	21,947.00
Neogen Chemicals Limited	1,539.40	20.03	7.24	10.36	76.85	193.48	10.00	6,906.30	40,611.90
Sigachi Industries Limited*	53.42	1.42	14.10	16.22	37.72	8.73	1.00	3,087.17	16,385.80
DMCC Speciality Chemical Limited	292.65	2.78	1.78	3.50	105.27	79.49	10.00	3,895.88	7,298.70

#Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the filings made with stock exchanges, available on www.bseindia.com and www.nseindia.com for the Financial Year ending March 31, 2023.

Source for Kronos Lab Sciences Limited: Based on the Restated Financial Statements for the year ended March 31, 2023. P/E Ratio shall be computed at the Offer Price.

Notes:

- Current Market Price (CMP) is the closing prices of respective scrips as on November 24, 2023.
- P/E Ratio has been computed based on the closing market price of equity shares on November 24, 2023, divided by the diluted EPS.
- RoNW is computed as net profit after tax attributable to equity shareholders divided by Net Worth as at March 31, 2023.

4. NAV is computed as the closing Net Worth divided by the closing outstanding number of equity shares.
5. The Offer Price will be [●] times of the face value of the Equity Shares.
6. The Offer Price of ₹ [●] will be determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

* Sigachi Industries Ltd. had sub-divided its shares from 1 equity share of face value of ₹ 10 each into 10 equity shares of the face value of ₹ 1 each vide its Board Resolution dated October 9, 2023. Therefore, while calculating the EPS and PE Ratio, we have considered the impact of such sub-division.

Bidders should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 30, 158, 215 and 268, respectively to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” beginning on page 30 and you may lose all or part of your investment.

6. Key Performance Indicators

The table below sets forth the details of Key Performance Indicators that our Company considers to have a bearing for arriving at the basis for Offer Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to meeting dated November 22, 2023.

The KPIs disclosed below have been used historically by our Company to understand and analyses the business performance, which helps our Company in analyzing the growth of various verticals in comparison to our Company’s listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price which have been disclosed below. Additionally, the KPIs have been certified vide certificate dated November 22, 2023, issued by Mahesh Udhvani & Associates, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The aforesaid certificate, has been included in ‘Material Contracts and Documents for Inspection – Material Documents’ on page 370.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company’s performances and make an informed decision.

A list of our KPIs for the three months ended June 30, 2023 and Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 is set out below:

Explanation for the Key Performance Indicators

(₹ in million except per share data or unless otherwise stated)

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Revenue from Operations	259.52	955.78	822.47	624.60
EBITDA ⁽¹⁾	85.18	219.96	196.97	148.03
EBITDA Margin (%) ⁽²⁾	32.82	23.01	23.95	23.70
Profit After Tax for the Year	63.82	166.17	136.27	97.30
PAT Margin (%) ⁽³⁾	24.36	17.04	16.35	15.39
EPS (Basic & Diluted) ⁽⁴⁾	1.72	4.31	3.49	2.40
Total Borrowings	-	-	6.42	0.13
Net worth	510.43	446.79	403.53	268.14
ROE (%) ⁽⁵⁾	12.50	37.19	33.77	36.29
ROCE (%) ⁽⁶⁾	19.55	49.86	46.27	51.78
Debt - Equity Ratio ⁽⁷⁾	-	-	0.02	Negligible
Fixed Assets Turnover Ratio ⁽⁸⁾	1.65	6.01	9.30	10.87
Net Cash from/ (used in) Operating Activities	105.14	196.65	90.20	113.14
Net Cash from/ (used in) Investing Activities	(49.80)	(55.17)	(75.99)	(29.56)
Net Cash from/ (used in) Financing Activities	-	(133.96)	(6.66)	(70.95)

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Revenue CAGR (Fiscal 2021 to 2023) (%)				23.70
EBITDA CAGR (Fiscal 2021 to 2023) (%)				21.90
PAT CAGR (Fiscal 2021 to 2023) (%)				30.68

*EPS, ROCE, ROE and Fixed Asset Turnover Ratio for the three months ended June 30, 2023 have not been annualized.

As certified by Mahesh Udhwani & Associates, Chartered Accountants vide their certificate dated November 22, 2023.

Notes:

- 1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income;
- 2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
- 3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue;
- 4) EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares);
- 5) ROE is calculated as Net profit after tax, as restated, divided by total equity;
- 6) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity - Revaluation Reserve- Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances);
- 7) Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long-term debt, based on Restated Financial Statements;
- 8) Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 158 and 268, respectively, respectively. All such KPIs have been defined consistently and precisely in ‘Definitions and Abbreviations – Conventional and General Terms and Abbreviations’ on page 4.

Subject to applicable laws, the Company confirms that it shall continue to disclose all the key performance indicators included in this “Basis for offer Price” section, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (ii) till the utilization of the Net Proceeds as disclosed under “Objects of the Offer” on page 74.

7. Comparison of Accounting Ratios with Listed Industry Companies

Comparison of Key Performance Indicators with the listed companies has been provided below:

Particulars	Kronox Lab Sciences Limited	Tatva Chintan Pharma Chem Limited	TANFAC Industries Limited	NEOGEN Chemicals Limited	Sigachi Industries Limited*	DMCC Speciality Chemical Limited
Revenue from Operations	955.78	4,236.12	3,749.48	6,861.80	3,020.45	3,847.36
EBITDA ⁽¹⁾	219.96	569.94	747.58	1,117.20	587.25	339.30
EBITDA Margin ⁽²⁾	23.01%	13.45%	19.94%	16.28%	19.44%	8.82%
Profit After Tax for the Year	166.17	454.87	561.30	499.70	435.36	69.31
PAT Margin ⁽³⁾	17.04%	10.59%	14.66%	7.24%	14.10%	1.78%

Particulars	Kronox Lab Sciences Limited	Tatva Chintan Pharma Chem Limited	TANFAC Industries Limited	NEOGEN Chemicals Limited	Sigachi Industries Limited*	DMCC Speciality Chemical Limited
EPS (Basic & Diluted) ⁽⁴⁾	4.31	20.52	56.27	20.03	1.42	2.78
Total Borrowings	-	1,702.57	-	3,622.10	404.93	811.76
Net worth	446.79	5,147.91	1,842.75	4,825.20	2,683.61	1,982.55
ROE ⁽⁵⁾	37.19%	8.84%	30.46%	10.36%	16.22%	3.50%
ROCE ⁽⁶⁾	49.86%	3.87%	16.16%	6.30%	8.55%	2.74%
Debt / Equity ⁽⁷⁾	-	0.33	-	0.75	0.15	0.41
Fixed Assets Turnover Ratio ⁽⁸⁾	6.01	2.57	6.85	2.02	3.15	1.80
Net Cash from/ (used in) Operating Activities	196.65	277.83	429.39	-303.50	290.17	298.81
Net Cash from/ (used in) Investing Activities	-55.17	-1,011.43	-395.94	-944.60	-918.52	-205.59
Net Cash from/ (used in) Financing Activities	-133.96	377.95	-30.26	1,002.90	262.08	-99.94
Revenue CAGR (Fiscal 2021 to 2023)	23.70%	18.76%	59.22%	42.82%	25.18%	38.65%
EBITDA CAGR (Fiscal 2021 to 2023)	21.90%	-6.71%	79.23%	26.29%	19.95%	-53.88%
PAT CAGR (Fiscal 2021 to 2023)	30.68%	-6.86%	51.23%	31.36%	23.04%	-2.23%

As certified by Mahesh Udhwani & Associates, Chartered Accountants vide their certificate dated November 22, 2023.

Notes:

- 1) The numbers for our Company and industry company are for the Financial Year 2022-23/ as on March 31, 2023;
- 2) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income;
- 3) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
- 4) PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue;
- 5) EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares);
- 6) ROE is calculated as Net profit after tax, as restated, divided by total equity;
- 7) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other Equity – Revaluation Reserve – Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances);
- 8) Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long-term debt, based on Restated Financial Statements;
- 9) Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.

* Sigachi Industries Ltd. had sub-divided its shares from 1 equity share of face value of ₹ 10 each into 10 equity shares of the face value of ₹ 1 each vide its Board Resolution dated October 09, 2023. Therefore, while calculating the EPS and PE Ratio, we have considered the impact of such sub-division.

8. Weighted average cost of acquisition

A. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no issuance of Equity Shares or convertible securities, excluding the shares issued under the ESOP 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-Offer 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 day.

B. The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate director(s) on 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 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-Offer 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. Price per share based on the last five primary or secondary transactions

Since there are no such transactions to report to under (a) and (b), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/Promoter Group entities or Promoter Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, 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.

Weighted average cost of acquisition, Floor Price and Cap Price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price	Cap Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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	NA	[●]	[●]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or Promoter Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer 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	NA	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price	Cap Price
#There were no primary or secondary transactions of Equity Shares of the Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus. Further, there are no transactions to report under the last five primary or secondary transactions where Promoter /Promoter Group entities or Promoter 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 filing of this Draft Red Herring Prospectus irrespective of the size of the transaction.			
<p><i>The above details related to WACA have been certified by Mahesh Udhwani & Associates, Chartered Accountants vide their certificate dated November 22, 2023.</i></p> <p><i>#As there are no transactions to be reported under parts (i) and (ii) above, computation of weighted average price is not required here.</i></p> <p><i>*To be updated at Prospectus stage.</i></p>			

9. Detailed explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point ‘h’ above) along with our Company’s key financial and operational metrics and financial ratios for the Fiscal 2023, 2022 and 2021.

[●]*

**To be included upon finalisation of the Price band*

10. Explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in point ‘h’ above) in view of the external factors which may have influenced the pricing of the Offer.

[●]*

**To be included upon finalisation of the Price band*

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of the market demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, are of justified view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 30, 158, 215 and 268, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the chapter titled ‘Risk Factors’ beginning on page 30 and any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors,
Kronox Lab Sciences Limited**
Block No.353, Village Ekalbara,
NA Padra, Vadodara 391 440,
Gujarat, India.

Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the “Equity Shares”) of Kronox Lab Sciences Limited (the “Company”) (the “Offer”)

This report is issued in accordance with the Engagement Letter dated November 15, 2023.

We hereby report that the enclosed Annexure I prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together “**the Tax Laws**”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the 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 of the Company comprising a fresh issue of the Equity Shares by the Company. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/ would be met with.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Draft Red Herring Prospectus, Red Herring Prospectus, and the Prospectus, and in any other material used in connection with the proposed Offer. The Statement is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For and on behalf of,
Mahesh Udhwani & Associates
Chartered Accountants
Firm Membership No. 129738W

Mahesh Udhwani
Partner
Membership No.: 047328
UDIN: 23047328BGUTGZ1592

Place: Vadodara
Date: November 22, 2023

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from “Report on Speciality fine Chemicals Industry” dated November 2023 which was commissioned by and paid for by our Company (the “CareEdge Report”). CARE Analytics and Advisory Private Limited was appointed by our Company pursuant to an engagement letter dated October 12, 2023 for the purpose of preparation of the CareEdge Report. We commissioned and paid for the CareEdge Report for the purposes of confirming our understanding of the industry specifically for the purpose of the Offer for an agreed fee. The data included herein includes excerpts from the CareEdge Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer) that has been left out or changed in any manner. A copy of the CareEdge Report shall be available on the website of our Company at www.kronoxlabsciences.com.

CARE Analytics and Advisory Private Limited has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

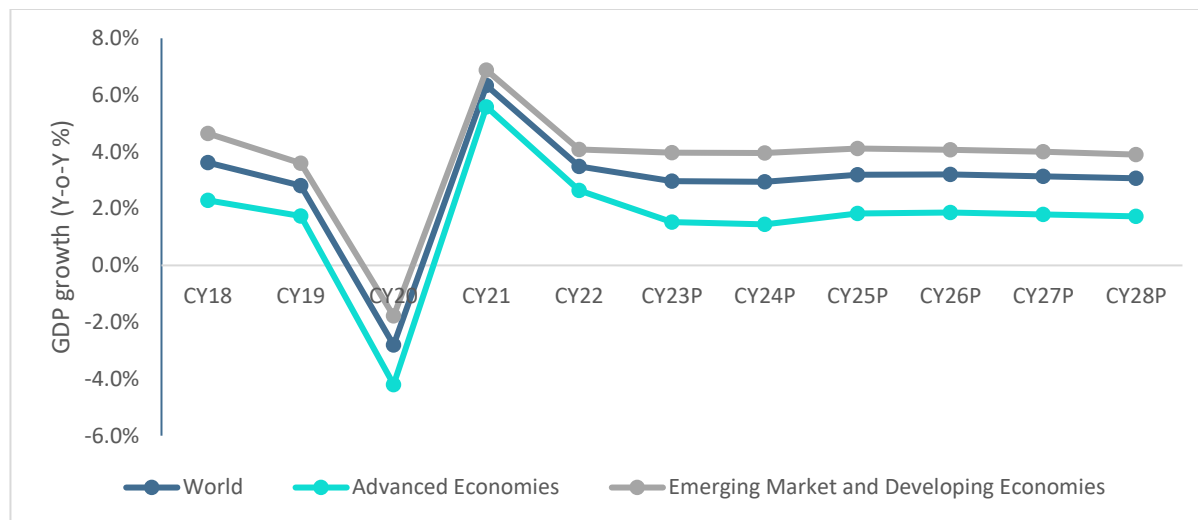
Unless otherwise indicated, financial, operational, industry and other related information derived from the CareEdge Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For further details, see “Certain Conventions, Presentation of Financial, Industry and Market Data — Industry and Market Data” on page 19. Also see “Risk Factors — Industry information included in this Draft Red Herring Prospectus has been derived from the ‘Research Report on Speciality Fine Chemicals Industry.’” on page 43.

Global Economic Outlook

As per the International Monetary Fund (IMF)'s World Economic Outlook growth projections released in October 2023, the global economic growth for CY22¹ stood at 3.5% on a year-on-year (y-o-y) basis, down from 6.3% in CY21 due to disruptions resulting from the Russia-Ukraine conflict and higher-than-expected inflation worldwide. On the other hand, the global economic growth for CY23 is projected to slow down further to 3.0% and 2.9% in CY24, attributed to compressing global financial conditions, expectant steeper interest rate hikes by major central banks to fight inflation, and spill-over effects from the Russia-Ukraine conflict, with gas supplies from Russia to Europe expected to remain tightened. For the next 4 years, the IMF projects world economic growth in the range of 3.0%-3.2% on a y-o-y basis.

Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Notes: P-Projection;

Source: IMF – World Economic Outlook, October 2023

Advanced Economies Group

The major advanced economies registered GDP growth of 2.6% in CY22, down from 5.5% in CY21, which is further projected to decline to 1.5% in CY23. This forecast of low growth reflects increased central bank interest rates to fight inflation and the impact of the Russia-Ukraine war. About 90% of advanced economies are projected to witness decline GDP growth in CY23 compared to CY22. In addition, this is further expected to decline to 1.4% in CY24.

One of the major countries from this group is the **United States**. The United States registered GDP growth of 2.1% in CY22 compared to 5.9% in CY21. Whereas, growth for CY23 and CY24 is projected at 2.1% and 1.5%, respectively. Among advanced economies group, private consumption has been stronger in the United States than in the euro area. The business investments have also been robust in the second quarter, in addition, the general government fiscal stance of United States is expected to be expansionary in CY23. However, the unemployment rate is expected to rise coupled with declining wages and savings. With this, the GDP growth is expected to soften in near term.

Further, the **Euro Area** registered GDP growth of 3.3% in CY22 compared to 5.6% in CY21. For CY23 and CY24, the growth is projected at 0.7% and 1.2%, respectively. There is divergence in GDP growth across the euro area. Wherein, Germany is expected to witness slight contraction in growth due to weak interest rate sensitive sector and slow trading demand. On the other hand, the GDP growth for France has been revised upwards on account of growing industrial production and external demand.

¹ CY – Calendar Year

Emerging Market and Developing Economies Group

For the emerging market and developing economies group, GDP growth stood at 4.0% in CY22, compared to 6.8% in CY21. This growth is further projected at 4.0% in CY23 and CY24. About 90% of the emerging economies are projected to make positive growth. While the remaining economies, including the low-income countries, are expected to progress slower.

Further, in **China**, growth is expected to pick up to 5.0% with the full reopening in CY23 and subsequently moderate in CY24 to 4.8%. The property market crisis and lower investment are key factors leading to this moderation. Whereas, **India** is projected to remain strong at 6.3% for both CY23 and CY24 backed by resilient domestic demands despite external headwinds.

GDP growth trend comparison - India v/s Other Emerging and Developing Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)									
	CY19	CY20	CY21	CY22	CY23P	CY24P	CY25P	CY26P	CY27P	CY28P
India	3.9	-5.8	9.1	7.2	6.3	6.3	6.3	6.3	6.3	6.3
China	6.0	2.2	8.5	3.0	5.0	4.2	4.1	4.1	3.7	3.4
Indonesia	5.0	-2.1	3.7	5.3	5.0	5.0	5.0	5.0	5.0	5.0
Saudi Arabia	0.8	-4.3	3.9	8.7	0.8	4.0	4.2	3.3	3.3	3.1
Brazil	1.2	-3.3	5.0	2.9	3.1	1.5	1.9	1.9	2.0	2.0

P- Projections; Source: IMF- World Economic Outlook Database (October 2023)

The **Indonesian** economy is expected to register growth of 5% both in CY23 and CY24 with a strong recovery in domestic demands, a healthy export performance, policy measures, and normalization in commodity prices. In CY22, **Saudi Arabia** was the fastest-growing economy in this peer set with 8.7% growth. The growth is accredited to robust oil production, non-oil private investments encompassing wholesale and retail trade, construction and transport, and surging private consumption. Saudi Arabia is expected to grow at 0.8% and 4.0% in CY23 and CY24, respectively. On the other hand, **Brazil** is expected to project growth of 3.1% in CY23 driven by buoyant agriculture and resilient services in the first half of CY23.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the GDP has been estimated to be at USD 3.4 trillion for CY22 and is projected to reach USD 5.2 trillion by CY27. India's expected GDP growth rate for coming years is almost double compared to the world economy.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6% in the period of CY24-CY28, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7% share in the global economy, with China [~18%] on the top followed by the United States [~15%]. Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country.

Despite Covid-19's impact, high inflationary and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth. India is increasingly becoming an open economy as well through growing foreign trade. Despite the global inflation and uncertainties, Indian economy continues to show resilience. This resilience is mainly supported stable financial sector backed by well-capitalized banks and export of services in trade balance. With this, the growth of Indian economy is expected to fare better than other economies majorly on account of strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

Indian Economic Outlook

GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's GDP grew by 9.1% in FY22 and stood at Rs. 149.3 trillion despite the pandemic and geopolitical Russia-Ukraine spillovers. In Q1FY23, India recorded 13.2% y-o-y growth in GDP, largely attributed to improved performance by the agriculture and services sectors. Following this double-digit growth, Q2FY23 witnessed 6.3% y-o-y growth, while Q3FY23 registered 4.5% y-o-y growth. The slowdown during Q2FY23 and Q3FY23 compared to Q1FY23 can be attributed to the normalization of the base and a contraction in the manufacturing sector's output.

Subsequently, Q4FY23 registered broad-based improvement across sectors compared to Q3FY23 with a growth of 6.1% y-o-y. The investments, as announced in the Union Budget 2022-23 on boosting public infrastructure through enhanced capital expenditure, have augmented growth and encouraged private investment through large multiplier effects in FY23. Supported by fixed investment and higher net exports, GDP for full-year FY23 was valued at Rs. 160.1 trillion registering an increase of 7.2% y-o-y.

Furthermore, in Q1FY24, the economic growth accelerated to 7.8%. The manufacturing sector maintained an encouraging pace of growth, given the favourable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities.

GDP Growth Outlook

- During FY24, strong agricultural and allied activity prospects are likely to boost rural demands. However, a rebound in contact-intensive sectors and discretionary spending is expected to support urban consumption.
- Strong credit growth, resilient financial markets, and the government's continual push for capital spending and infrastructure are likely to create a compatible environment for investments.
- External demand is likely to remain subdued with a slowdown in global activities, thereby indicating adverse implications for exports. Additionally, heightened inflationary pressures and resultant policy tightening may pose a risk to the growth potential. Taking all these factors into consideration, in October 2023, the RBI in its bi-monthly monetary policy meeting estimated a real GDP growth of 6.5% y-o-y for FY24.

RBI's GDP Growth Outlook (Y-o-Y %)

FY24 (complete year)	Q2FY24	Q3FY24	Q4FY24	Q1FY25
6.5	6.5	6.0	5.7	6.6%

Source: Reserve Bank of India

Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

- The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.
- The **agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However,

supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

Further, in Q1FY23 and Q2FY23, the agriculture sector recorded a growth of 2.4% and 2.5%, respectively, on a y-o-y basis. Due to uneven rains in the financial year, the production of some major Kharif crops, such as rice and pulses, was adversely impacted thereby impacting the agriculture sector's output. In Q3FY23 and Q4FY23, the sector recorded a growth of 4.7% and 5.5%, respectively, on a y-o-y basis.

Overall, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y in FY23, garnering Rs. 22.3 trillion. In Q1FY24, this sector expanded at a slower pace of 3.1% compared to a quarter ago. Going forward, rising bank credit to the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may impact the reservoir level weighing on prospects of rabi sowing. A downside risk exists in case the intensity of El Nino is significantly strong.

- The **industrial sector** witnessed a CAGR of 4.7% for the period FY16 to FY19. From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted industrial activities. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening up of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

The industrial output in Q1FY23 jumped 9.4% on a y-o-y basis. However, in the subsequent quarter, the sector witnessed a sharp contraction of 0.5% due to lower output across the mining, manufacturing, and construction sectors. This was mainly because of the poor performance of the manufacturing sector, which was marred by high input costs. In Q3FY23, the sector grew modestly by 2.3% y-o-y. The growth picked up in Q4FY23 to 6.3% y-o-y owing to a rebound in manufacturing activities and healthy growth in the construction sector. Overall, the industrial sector is estimated to be valued at Rs. 45.2 trillion registering 4.4% growth in FY23.

The industrial sector grew by 5.5% in Q1FY24. The industrial growth was mainly supported by sustained momentum in the manufacturing and construction sectors. Within manufacturing (as captured by IIP numbers), industries such as pharma, non-metallic mineral products, rubber, plastic, metals, etc., witnessed higher production growth during the quarter.

- The **services sector** recorded a CAGR of 7.1% for the period FY16 to FY20, which was led by trade, hotels, transport, communication, and services related to broadcasting, finance, real estate, and professional services. This sector was the hardest hit by the pandemic and registered an 8.2% y-o-y decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 8.8% y-o-y growth witnessed in FY22.

In Q1FY23 and Q2FY23, this sector registered a y-o-y growth of 16.3% and 9.4%, respectively, on a lower base and supported by a revival in contact-intensive industries. Further, the services sector continued to witness buoyant demand and recorded a growth of 6.1% y-o-y in Q3FY23. Supported by robust discretionary demands, Q4FY23 registered 6.9% growth largely driven by the trade, hotel, and transportation industries. Overall, benefitting from the pent-up demand, the service sector was valued at Rs. 20.6 trillion and registered growth of 9.5% y-o-y in FY23.

Whereas in Q1FY24, the services sector growth jumped to 10.3%. Within services, there was a broad-based improvement in growth across different sub-sectors. However, the sharpest jump was seen in financial, real estate, and professional services. Trade, hotels, and transport sub-sectors expanded at a healthy pace gaining from strength in discretionary demand. Accordingly, steady growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections, and retail credit are expected to support the services sector.

Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

At constant Prices	FY18	FY19	FY20 (3RE)	FY21 (2RE)	FY22 (1RE)	FY23 (PE)	Q1FY23	Q1FY24
Agriculture, Forestry & Fishing	6.6	2.1	6.2	4.1	3.5	4	2.4	3.5
Industry	5.9	5.3	-1.4	-0.9	11.6	4.4	9.4	5.5
Mining & Quarrying	-5.6	-0.8	-3	-8.6	7.1	4.6	9.5	5.8
Manufacturing	7.5	5.4	-3	2.9	11.1	1.3	6.1	4.7
Electricity, Gas, Water Supply & Other Utility Services	10.6	7.9	2.3	-4.3	9.9	9	14.9	2.9
Construction	5.2	6.5	1.6	-5.7	14.8	10	16	7.9
Services	6.3	7.2	6.4	-8.2	8.8	9.5	9.4	10.3

At constant Prices	FY18	FY19	FY20 (3RE)	FY21 (2RE)	FY22 (1RE)	FY23 (PE)	Q1FY23	Q1FY24
Trade, Hotels, Transport, Communication & Broadcasting	10.3	7.2	6	-19.7	13.8	14	25.7	9.2
Financial, Real Estate & Professional Services	1.8	7	6.8	2.1	4.7	7.1	8.5	12.2
Public Administration, Defence and Other Services	8.3	7.5	6.6	-7.6	9.7	7.2	21.3	7.9
GVA at Basic Price	6.2	5.8	3.9	-4.2	8.8	7	11.9	7.8

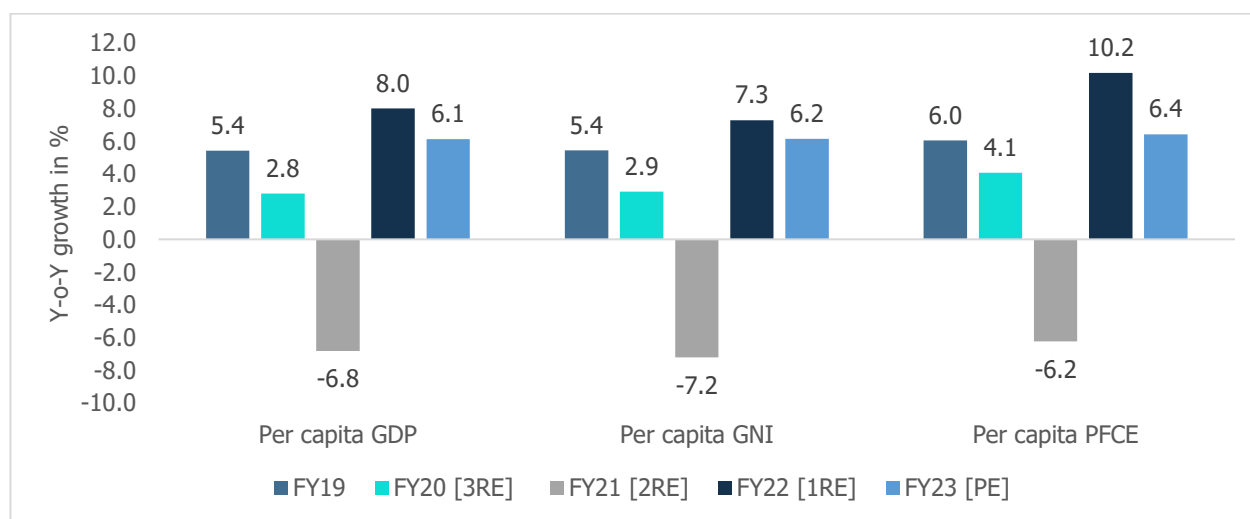
Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

Per capita GDP, Per Capita GNI and Per Capita PFCE

India has a population of about 1.3 billion with a young demographic profile. The advantages associated with this demographic dividend are better economic growth, rapid industrialization and urbanization.

Gross Domestic Product (GDP) per capita is a measure of a country's economic output per person. FY21 witnesses significant de-growth due to the pandemic. However, in FY22 the economy paved its way towards recovery and the per capita GDP grew by 8.0%. This growth was moderated to 6.1% due to the correction of base effect in FY23. The Gross national income (GNI) also increased by 7.3% in FY22 and 6.2% in FY23. The per capita private final consumption expenditure (PFCE), which represents consumer spending, increased by 10.2% in FY22 and 6.4% in FY23.

Growth in Per Capita GDP, Income and Final Consumption (Y-o-Y growth in %)

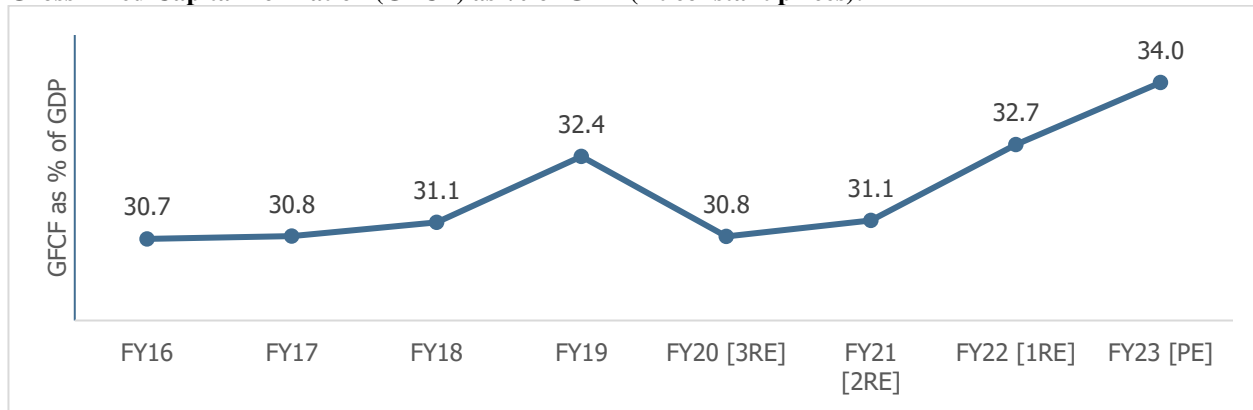


Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate;
Source: MOSPI

Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 32.7%, which is the second-highest level in 7 years (since FY15). In FY23, the ratio of investment (GFCE) to GDP climbed up to its highest in the last decade at 34%, as per the advanced estimate released by the Ministry of Statistics and Programme Implementation (MOSPI).

Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices):



RE: Revised Estimate; Source: MOSPI

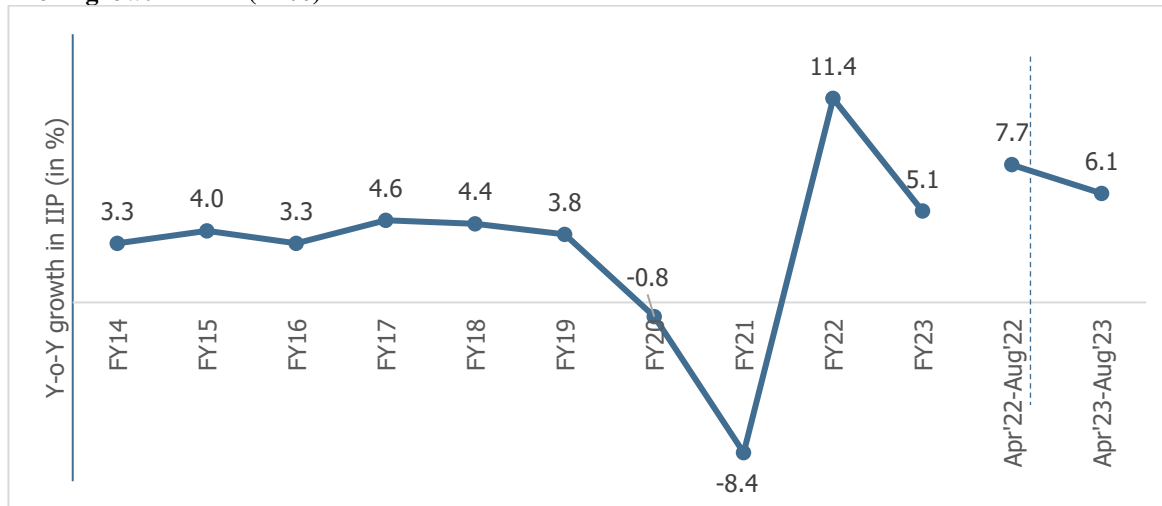
Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, Make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

Industrial Growth

Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. On a cumulative basis, IIP grew by 11.4% y-o-y in FY22 post declining by 0.8% y-o-y and 8.4% y-o-y, respectively, in FY20 and FY21. This high growth was mainly backed by a low base of FY21. FY22 IIP was higher by 2.0% when compared with the pre-pandemic level of FY20, indicating that while economic recovery was underway, it was still at very nascent stages. During FY23, the industrial output recorded a growth of 5.1% y-o-y supported by a favourable base and a rebound in economic activities. During April 2023 and May 2023, IIP grew by 4.2% y-o-y and 5.3% y-o-y growth, respectively. This growth in April and May 2023 was aided by encouraging performance of the mining and manufacturing sectors. However, in June 2023, the industrial output slowed to 3.7% mainly due to moderation in the manufacturing sector’s output. This industrial growth rebounded to 5.7% in July 2023 with improvement in the manufacturing segment and further accelerated to 10.3% in August 2023 with improvement in the manufacturing segment. Sectors like mining and electricity as well aided this performance.

Y-o-Y growth in IIP (in %)



Source: MOSPI

The rebound in industrial activity in July 2023 is encouraging. The healthy momentum recorded in the infrastructure and construction sector is likely to continue, aided by the government’s focus on this segment. Also, the consumption demand is likely to see an

improvement in the upcoming festive season. However, the elevated food inflation and monsoon-related vagaries could pose a risk to consumption demand. Over a longer period, the unfolding of the domestic demand scenario remains critical for industrial activity. Whereas external demand is likely to remain weak and that will continue to cast a shadow on export-dependent sectors.

Consumer Price Index

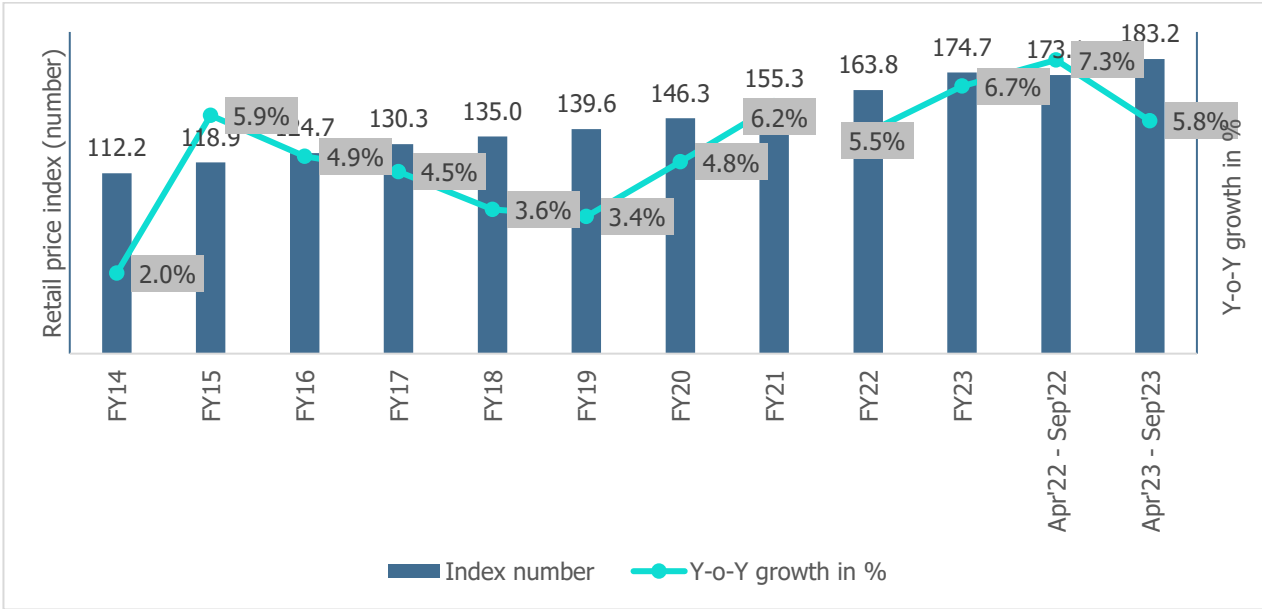
India’s consumer price index (CPI), which tracks retail price inflation, stood at an average of 5.5% in FY22, which was within RBI’s targeted tolerance band of 6%. However, consumer inflation started to upswing from October 2021 onward and reached a tolerance level of 6% in January 2022. Following this, CPI reached 6.9% in March 2022.

Furthermore, CPI remained elevated at an average of 6.7% in FY23, above the RBI’s tolerance level. However, there was some respite toward the end of the fiscal wherein the retail inflation stood at 5.7% in March 2023, tracing back to the RBI’s tolerance band. Apart from a favorable base effect, the relief in retail inflation came from a moderation in food inflation.

In the current fiscal FY24, the CPI moderated for two consecutive months to 4.7% in April 2023 and 4.3% in May 2023. This trend snapped in June 2023 with CPI rising to 4.9% and 7.4% in July 2023 largely due to increased food inflation.

The CPI has breached the RBI’s target range for the first time since February 2023. This marks the highest reading observed since the peak in April 2022 at 7.8%. The notable surge in vegetable prices and elevated inflation in other food categories such as cereals, pulses, spices, and milk have driven this increase. Further, the contribution of food and beverages to the overall inflation has risen significantly to 65%, surpassing their weight in the CPI basket. This was moderated for the second consecutive month in September 2023 by 5% helped by a sharp correction in vegetable prices and lower LPG prices.

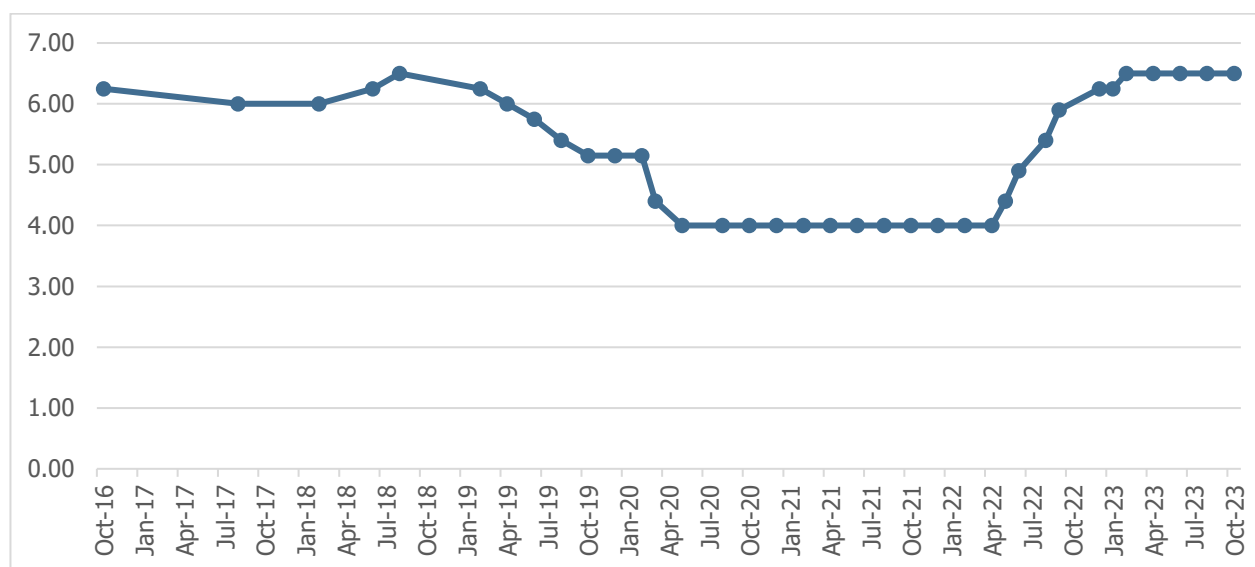
Retail Price Inflation in terms of Index and Y-o-Y Growth in % (Base: 2011-12=100)



Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. The RBI has increased the repo rates with the rise in inflation in the past year from 4% in April 2022 to 6.5% in January 2023.

RBI Historical Repo Rate



Source: RBI

However, with the inflation easing over the last few months, RBI has kept the repo rate unchanged at 6.5% in the last four meetings of the Monetary Policy Committee. At the bi-monthly meeting held in October 2023, RBI projected inflation at 5.4% for FY24 with inflation during Q2FY24 at 6.4%, Q3FY24 at 5.6%, Q4FY24 at 5.2% and Q1FY25 at 5.2%

In a meeting held in October 2023, RBI also maintained the liquidity adjustment facility (LAF) corridor by adjusting the standing deposit facility (SDF) rate of 6.25% as the floor and the marginal standing facility (MSF) at the upper end of the band at 6.75%.

Further, the central bank continued to remain focused on the withdrawal of its accommodative stance. With domestic economic activities gaining traction, RBI has shifted gears to prioritize controlling inflation. While RBI has paused on the policy rate front, it has also strongly reiterated its commitment to bringing down inflation close to its medium-term target of 4%. Given the uncertain global environment and lingering risks to inflation, the Central Bank has kept the window open for further monetary policy tightening in the future, if required.

Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, and a shortage of key inputs. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. It is expected to grow at 6.3% in CY24 compared to the world GDP growth projection of 3%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, auto sales, bank credit, and GST collections have shown improvement in FY23. Moreover, normalizing the employment situation after the opening up of the economy is expected to improve and provide support to consumption expenditure.

Further, in line with the latest India Meteorological Department (IMD) projection, the rainfall activity has been muted during June 1, 2023 to September 20, 2023, with cumulative rainfall falling back to a 7% deficit. Also, weak-to-moderate El Nino conditions are expected to lead to a prolonged dry spell. A drop-in yield due to irregular monsoon and a lower acreage can lead to a demand-supply mismatch, further increasing the inflationary pressures on the food basket. Going ahead, consumption demand is expected to pick up during the festive season, but the quantum of rise in demand will be dependent on the extent of the impact of the irregular monsoon.

At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 10 lakh crores for FY24. The private sector's intent to invest is also showing improvement as per the data announced on

new project investments. However, volatile commodity prices and economic uncertainties emanating from global turbulence may slow down the improvement in private CapEx and investment cycle.

Furthermore, the industrial sector is expected to perform better among all sectors, as input costs are now moderating. With flagship programmes like 'Make in India' and the PLI schemes, the government is continuing to provide the necessary support to boost the industry sector. Similarly, the service sector is expected to see continued growth in FY24. However, some segments in the service sector, like information technology, are likely to be impacted by the slowdown in the US and European economies.

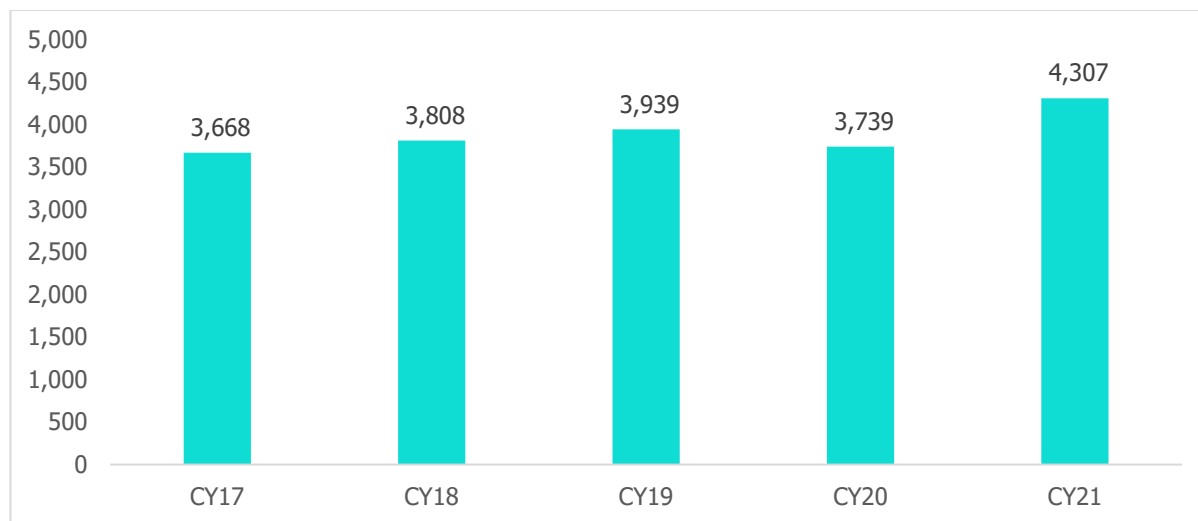
Overview of the Chemical Industry

Global Chemical Industry

The chemical industry is an integral element of the global economy and plays a critical role in nearly every facet of modern life serving numerous sectors such as agriculture, construction, automotive, FMCG, consumer durables, electronics, healthcare, etc. The global chemical industry is continually evolving through technological advancements, market dynamics, and sustainability initiatives.

Further, the importance of the chemical industry has resulted in the proliferation of chemicals across the globe with the industry sales growing at a Compounded Annual Growth Rate (CAGR) of 4.1% from USD 3,668 billion in (Calendar Year) CY17 to USD 4,307 billion in CY21. Of USD 4,307 billion in sales reported by the global chemicals industry during CY21, sales from 10 countries accounted for a significant share of 86.6% representing USD 3,434 billion in sales during the year. Sales from the rest of the world contributed to 13.4% of the total sales in CY21.

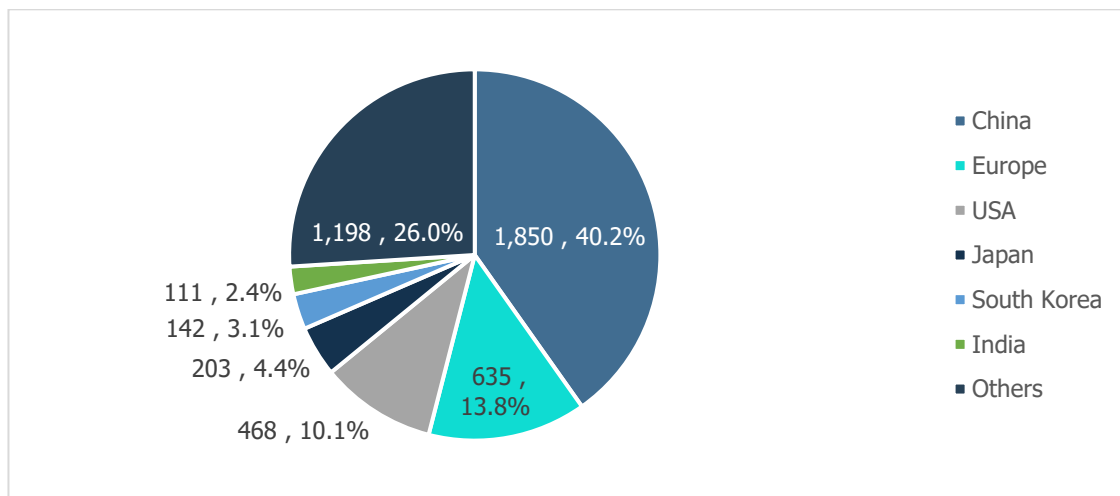
Trends in Global Chemical Sales (USD billion)



Source: European Chemical Industry Council (CEFIC)

With regard to chemical sales among the top 10 countries, China dominates with a lion's share of 40.2%, trailed by Europe (27 nations), the USA, Japan, and South Korea with a share of 13.8% (USD 635 billion), 10.1% (USD 468 billion), 4.4% (USD 203 billion), and 3.1% (USD 142 billion), respectively, in 2021 sales. Further, India ranked sixth in terms of global chemical sales with a contribution of USD 111 billion and accounted for a share of 2.4% during 2021. The other nations that formed part of the top 10 countries in global chemical sales were Taiwan, Brazil, Russia, and the UK with a share of 1.9%, 1.9%, 1.4%, and 1.4%, respectively.

Country-Wise International Chemical Sales for year 2021 (USD billion)

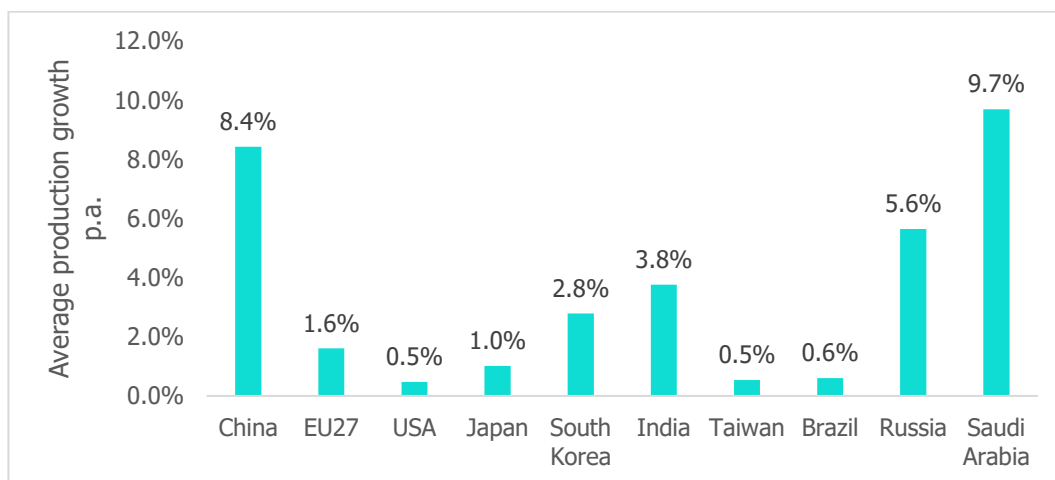


Source: CEFIC

Note: Figures in brackets represent the percentage share

The significant share of China in world chemical sales is supplemented by its average chemicals production growth rate per annum. China’s average chemical production increased by 8.4% over the ten-year period, 2011-2021, the fastest among the countries. India’s average chemical production growth rate is 3.8% for the ten-year duration which is low compared to the output rates of Saudi Arabia, China, and Russia. However, the country’s average chemical production grew faster compared to that of South Korea (2.8%), Europe (EU) (27 nations) (1.6%), Brazil (0.6%), Japan (1.0%), and the USA (0.5%) during the ten-year period, 2011-2021. This chart also highlights that emerging countries outpaced industrial economies in chemical production as per CEFIC.

Average Chemical Production Growth Per Annum (2011-2021)



Source: CEFIC

Indian Chemical Industry

According to the Government of India’s Department of Chemicals and Petrochemicals, the chemical and chemical products sector, excluding pharmaceuticals, accounted for 1.48% of the Gross Value Added (GVA) for all economic activities in FY21. The share of this sector in the GVA of the manufacturing sector during FY21 is about 9.88%. The GVA of the chemical sector has grown at a CAGR of 6.67% during the period FY16 to FY21.

The size of the Indian chemicals industry, excluding pharmaceuticals, in terms of the value of output in the year FY21 was around Rs. 9.87 crores and 8.95% of the value of the output of the manufacturing sector. During the last six years, i.e., from FY16 to FY21, the real growth rate in the output of the chemical industry excluding the pharmaceuticals industry was 7.93%. Whereas growth in output value for the manufacturing sector during the same period was 5.56%.

Furthermore, as per the Government of India's Department of Chemicals and Petrochemicals, India ranks 11th in the world exports of chemicals (excluding pharmaceutical products) and 6th in the world imports of chemicals (excluding pharmaceutical products). India's exports of chemicals (excluding pharmaceutical products) totalled USD 46.9 billion in CY21 accounting for about 2.36% share of world exports of chemicals (excluding pharmaceutical products).

Similarly, India's imports of chemicals (excluding pharmaceutical products) reached USD 79.4 billion accounting 3.91% share of world imports of chemicals (excluding pharmaceutical products) in CY21.

Major chemicals in India are broadly divided into 5 segments as mentioned below:

1. **Alkali Chemicals:** This segment comprises products like soda ash, caustic soda, and liquid chlorine.
2. **Inorganic Chemicals:** This segment comprises products like carbon black, calcium carbonate, and hydrogen peroxide, among others.
3. **Organic Chemicals:** This segment comprises products like ethyl acetate, chloro methanes, and formaldehyde, among others.
4. **Pesticides and Insecticides:** This segment comprises products like mancozab, 2, 4-D, acephate, and profenofos technical.
5. **Dyes and Pigments:** This segment comprises products like reactive dyes, organic pigment, and dispersed dyes.

Share-wise details of each of the 5 segments in aggregate major chemicals production during FY22 are mentioned in the table below.

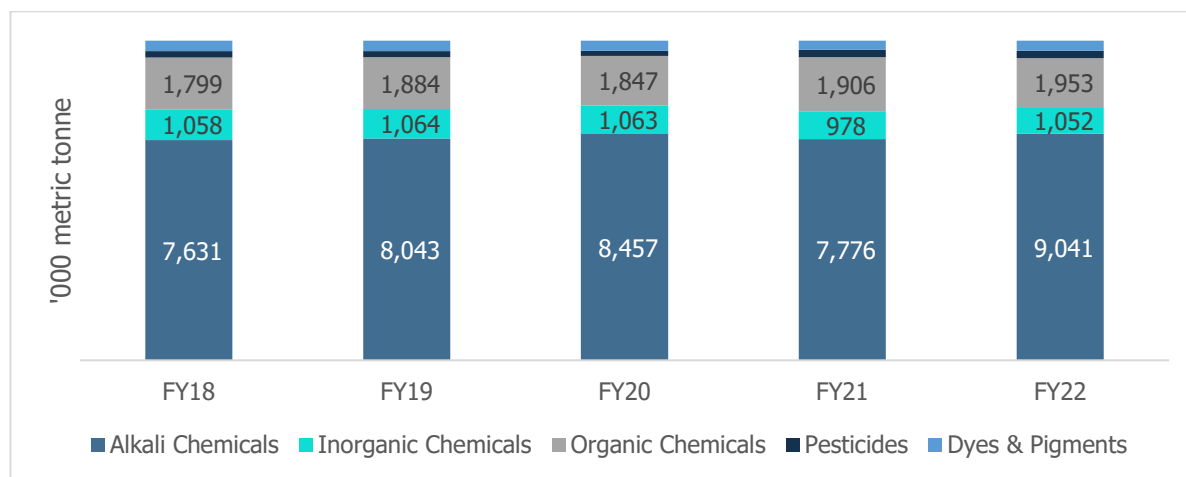
Segment-Wise Production Volume and Percentage Share of Major Chemicals during FY22

Segment	Production volume of each segment in total major chemicals production during H1FY23 ('000 metric tonnes)	Production volume of each segment in total major chemicals production during FY22 ('000 metric tonnes)	% share of each segment in total major chemicals production during FY22
Alkali chemicals	4,745	9,041	70.95
Inorganic chemicals	529	1,052	8.26
Organic chemicals	904	1,953	15.33
Pesticides	138	299	2.35
Dyes & pigments	171	398	3.12
Aggregate	6,487	12,743	100

Source: Department of Chemicals and Petrochemicals, Government of India (GoI)

The production of major chemicals in India on an aggregate basis grew at a CAGR of 4.61% from 11,069 thousand metric tonnes in FY18 to 12,743 thousand metric tonnes in FY22. The rise in output is primarily supplemented by a 4.3% CAGR in the production of alkali chemicals (the largest segment accounting for about 71% of the total major chemical output in 2021-22) as mentioned in the table above.

Segment-Wise Production of Major Chemicals in India ('000 metric tonnes)



Source: Department of Chemicals and Petrochemicals, GoI

Global Citrate Industry

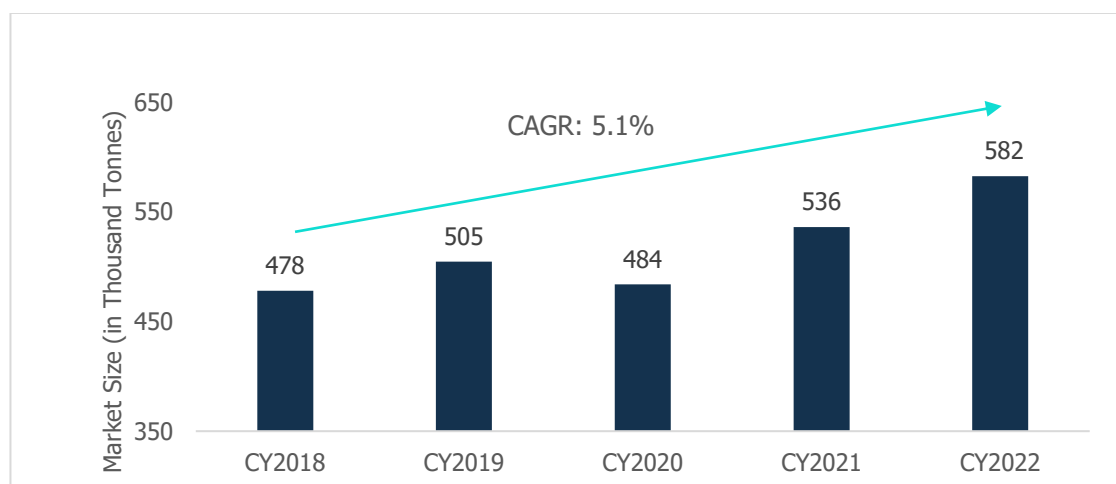
The versatility of citrate and its products makes it a key compound used in a variety of industrial applications. Natural citric acid exists in plants such as lemons, citrus, pineapples, and other fruits, and in animals' bones, muscles, and blood. Citrates include sodium citrate, potassium citrate, calcium citrate, zinc citrate, etc. Citrate find its application in Food and Beverages, Medicine, Chemical, Reagents, Nutraceuticals, Veterinary, Biotechnology, Metallurgy, Electronics and Personal Care industries.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Citrate Industry – Market Size

The global citrate industry's consumption volumes grew at a Compounded Annual Growth Rate (CAGR) of 5.1% from 478 thousand tonnes in CY2018 to 582 thousand tonnes in CY2022.

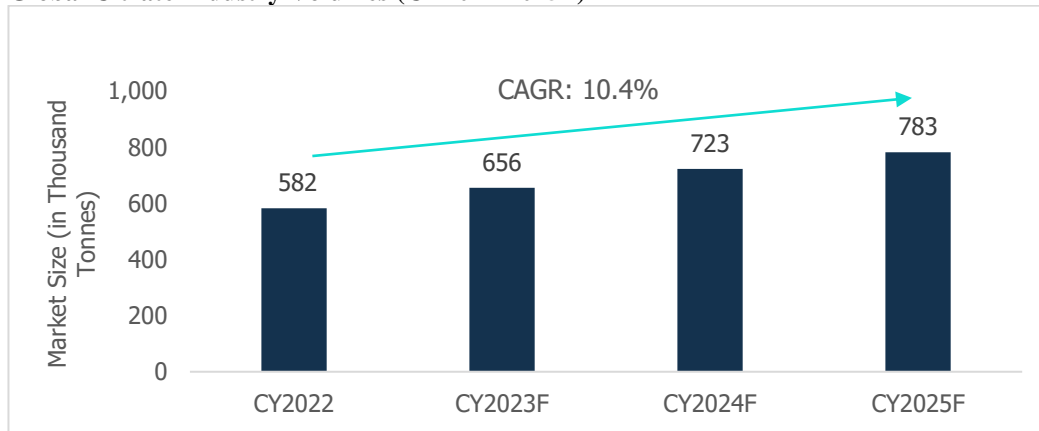
Global Citrate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The consumption volumes are expected to grow from 582 thousand tonnes in CY2022 to 783 thousand tonnes in CY2025, at a CAGR of 10.4%.

Global Citrate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

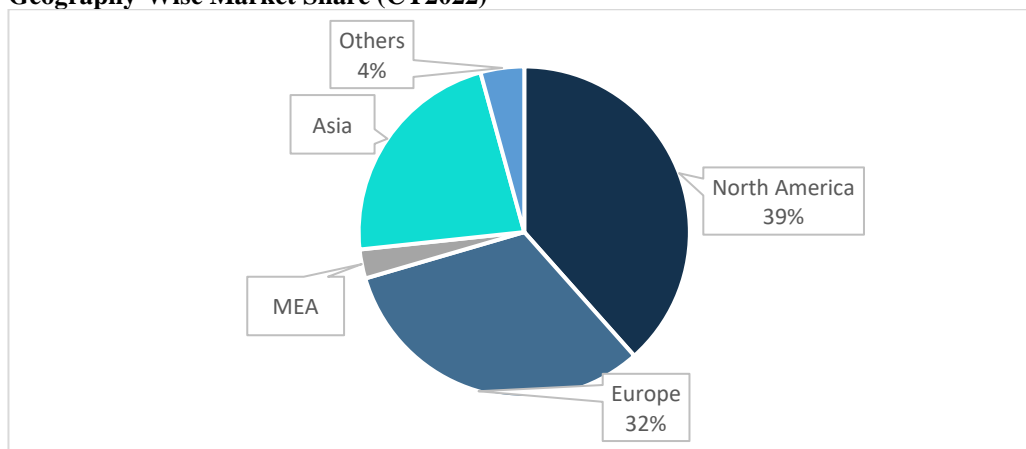
The global citrate consumption grew substantially in value, at a CAGR of 23.9% from USD 478 million in CY2018 to USD 1,126 million in CY2022. This growth was driven by increased consumption volumes and a sharp uptick in citrate prices which surged by nearly 95% between CY2018 and CY2022.

The global citrate industry size is expected to decline from USD 1,126 million in CY2022 to USD 825 million in CY2025. While the industry is expected to witness 10.4% volume growth over this period, the prices are expected to decline due to normalization following a sharp increase in CY2022, leading to a decline in market size in value terms.

Break-Up of Global Citrate Industry Value by Geography

The North American region is the largest market of citrates, accounting for over 39% of the global market share in CY2022. The region registered a CAGR of 23% from CY2018 to CY2022. Whereas the European region is the second-largest market for citrates, representing 32% of the global market share in CY2022. The region has achieved a CAGR of 24.5% from CY2018 to CY2022. Further, in CY2022, Asia stands as the world's third-largest market for citrates, commanding approximately 22% of the global market share. Notably, this region has registered a CAGR of 24.7% from CY2018 to CY2022.

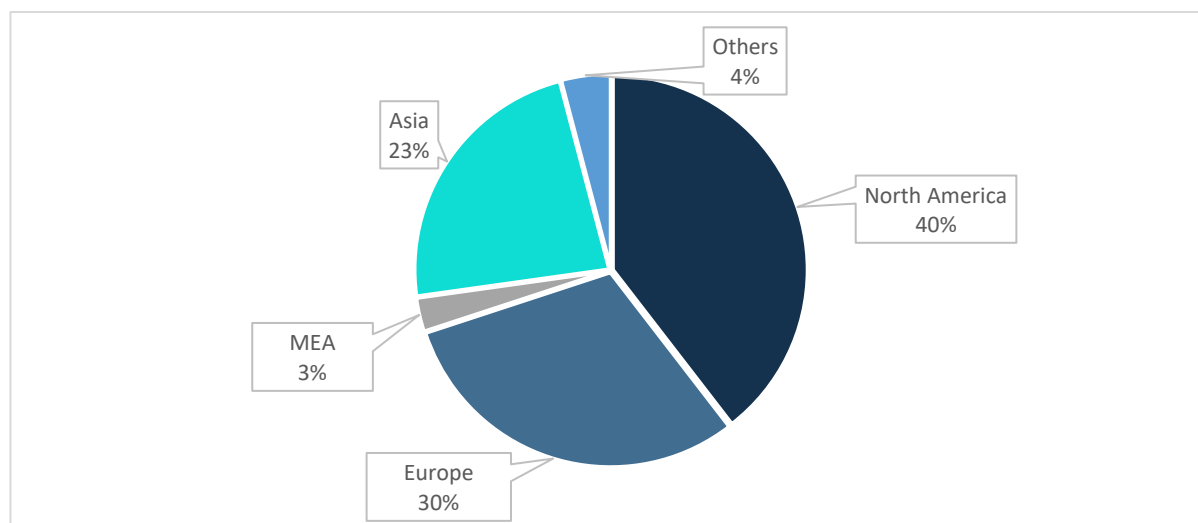
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

North America is expected to remain the largest market for citrates with an expected share of 40% in CY2025.

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-Up of Global Citrate Industry by Grade

The various grades of Citrates are as below:

Types	Description
Pharma Grade	Pharma grade citrates are the highest quality citrates available and are used in the production of pharmaceuticals. They must meet strict standards set by regulatory bodies such as the United States Food and Drug Administration (FDA) and the European Medicines Agency (EMA).
Reagent Grade	Reagent grade citrates are used in analytical laboratories and other research settings. They must meet high standards of purity and consistency.
Nutraceutical Grade	Nutraceutical grade citrates are used in the production of dietary supplements and functional foods and beverages. They must meet the standards set by the Food Chemicals Codex (FCC), which is a compendium of standards for food-grade ingredients.
Others	Other grades include Feed grade and Industrial grade.

Source: XXX Research

The pharma grade citrates have demonstrated a CAGR of 4.4%, reagent grade 7.4% and nutraceutical grade 5.1% in volume terms, over CY2018-2022. The pharma grade citrates are expected to demonstrate a CAGR of 9.8%, reagent grade 11.2% and nutraceutical grade 10.6% in volume terms, over CY2022-2025.

Break-up of Global Citrate Industry Volume by Grade (In Thousand Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR	
									CY2018- 22	CY2022- 25
Pharma Grade	71.9	75.6	71.6	79.0	85.4	95.7	105.0	113.0	4.4%	9.8%
IP	10.2	10.7	10.2	11.2	12.2	13.6	14.9	16.0	4.4%	9.6%
BP	19.2	20.2	19.2	21.2	23.0	25.9	28.5	30.7	4.7%	10.1%

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR	
									CY2018- 22	CY2022- 25
EP	11.9	12.4	11.7	12.9	13.9	15.5	16.9	18.1	3.9%	9.3%
USP	22.2	23.3	22.0	24.2	26.0	29.1	31.8	34.2	4.0%	9.5%
JP	8.4	8.9	8.5	9.5	10.3	11.7	12.9	14.0	5.3%	10.7%
Reagent Grade	34.3	35.8	37.3	41.6	45.5	51.7	57.4	62.6	7.4%	11.2%
R	16.7	17.4	18.1	20.2	22.1	25.0	27.8	30.3	7.3%	11.1%
AR	7.4	7.7	8.0	9.0	9.8	11.1	12.3	13.5	7.4%	11.3%
GR	6.3	6.6	6.9	7.7	8.5	9.6	10.7	11.7	7.7%	11.4%
ACS	4.0	4.1	4.3	4.8	5.2	5.9	6.5	7.1	7.0%	10.8%
Nutraceutical Grade (FCC)	266.2	281.4	268.5	298.4	325.0	367.0	405.7	440.1	5.1%	10.6%
Others	105.7	111.9	106.3	117.2	126.5	141.7	155.3	167.1	4.6%	9.7%
Total	478.1	504.6	483.7	536.2	582.4	656.0	723.4	782.7	5.1%	10.4%

Source: Maia Research, XXX Research

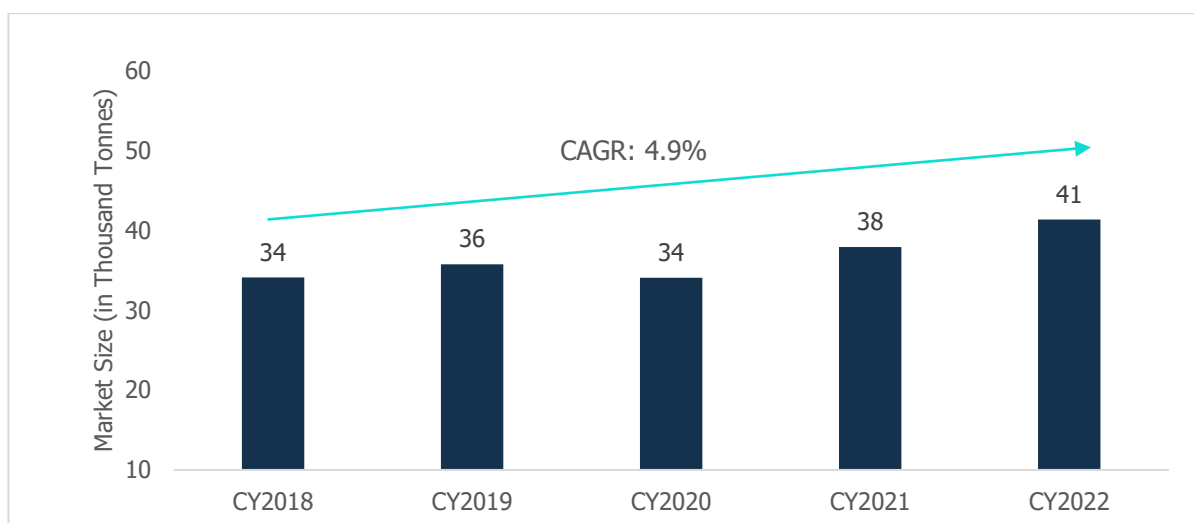
Note: F: Forecast

The pharma grade citrates have demonstrated a CAGR of 23.1%, reagent grade 26.6%, and nutraceutical grade 24.0% in value terms, over CY2018-2022. The market for all these grades is expected to see a decline in value terms over CY2022-25 on account of pricing correction.

Indian Citrate Industry

The Indian citrate industry consumption volumes have recorded a CAGR of 4.9% from 34 thousand tonnes in CY2018 to 41 thousand tonnes in CY2022.

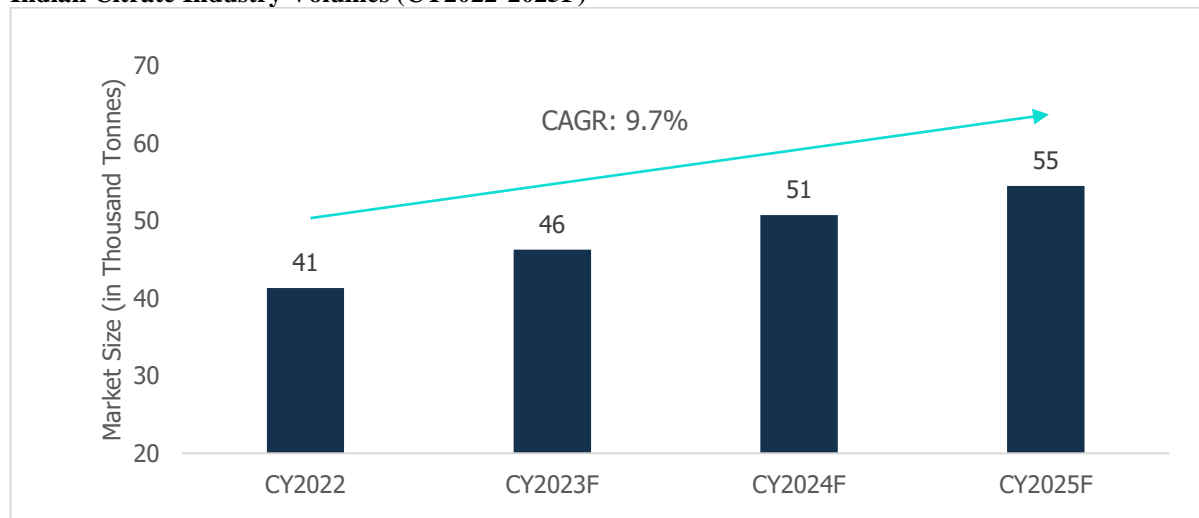
Indian Citrate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The industry volumes are expected to grow from 41 thousand tonnes in CY2022 to 55 thousand tonnes in CY2025, implying a CAGR of 9.7%.

Indian Citrate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian citrate industry has grown at a CAGR of 23.8% over past five years from USD 27 million in CY2018 to USD 62 million in CY2022. The Indian citrate industry is expected to experience a revenue decline from USD 62 million in CY2022 to USD 44 million in CY2025, at a negative CAGR of approximately 10.7%, despite a volume growth of 9.7% over the same period, on account of price correction.

Break-Up of Indian Citrate Industry by Grade

The pharma grade citrates have demonstrated a CAGR of 4.3%, reagent grade 4.6%, and nutraceutical grade 5.0% in volume terms, over CY2018-2022. The pharma grade citrates are expected to demonstrate a CAGR of 9.2%, reagent grade 10.5% and nutraceutical grade 10.0% in volume terms, over CY2022-2025.

Break-up of the Indian Citrate Industry Volume by Grade (In Thousand Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	3.7	3.9	3.7	4.1	4.4	4.9	5.4	5.8	4.3%	9.2%
IP	0.7	0.7	0.6	0.7	0.8	0.9	0.9	1.0	4.0%	9.2%
BP	1.0	1.0	0.9	1.1	1.1	1.3	1.4	1.5	4.7%	9.3%
EP	0.5	0.6	0.5	0.6	0.6	0.7	0.8	0.8	3.9%	8.3%
USP	1.2	1.3	1.2	1.3	1.4	1.6	1.7	1.9	3.8%	9.0%
JP	0.4	0.4	0.4	0.4	0.5	0.5	0.6	0.6	5.6%	9.9%
Reagent Grade	1.7	1.8	1.7	1.9	2.1	2.3	2.6	2.8	4.6%	10.5%
R	0.8	0.9	0.8	0.9	1.0	1.1	1.3	1.4	4.5%	10.5%
AR	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5	4.7%	10.8%
GR	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.6	5.3%	10.5%
ACS	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.4	4.1%	10.1%
Nutraceutical Grade (FCC)	20.0	21.0	19.9	22.2	24.3	27.3	30.0	32.3	5.0%	10.0%
Others	8.6	9.0	8.7	9.7	10.5	11.7	12.8	13.6	5.2%	9.1%
Total	34.1	35.7	34.0	37.9	41.3	46.3	50.7	54.5	4.9%	9.7%

Source: Maia Research, XXX Research
Note: F: Forecast

The pharma grade citrates have demonstrated a CAGR of 23.1%, reagent grade 23.3%, and nutraceutical grade 23.9% in value terms, over CY2018-2022. The market for all these grades is expected to see a decline in value terms over CY2022-25 on account of pricing correction.

Global Carbonate Industry

A carbonate is a salt of carbonic acid (H_2CO_3). It is found in nature in various forms including minerals, rocks, and living organisms. Carbonate rocks, such as limestone and marble, are made up of carbonate minerals. Carbonate includes Sodium Carbonate, Potassium Carbonate, Calcium Carbonate, Ammonium Carbonate, Magnesium Carbonate, lithium carbonate, zinc carbonate, copper carbonate, lead carbonate, etc.

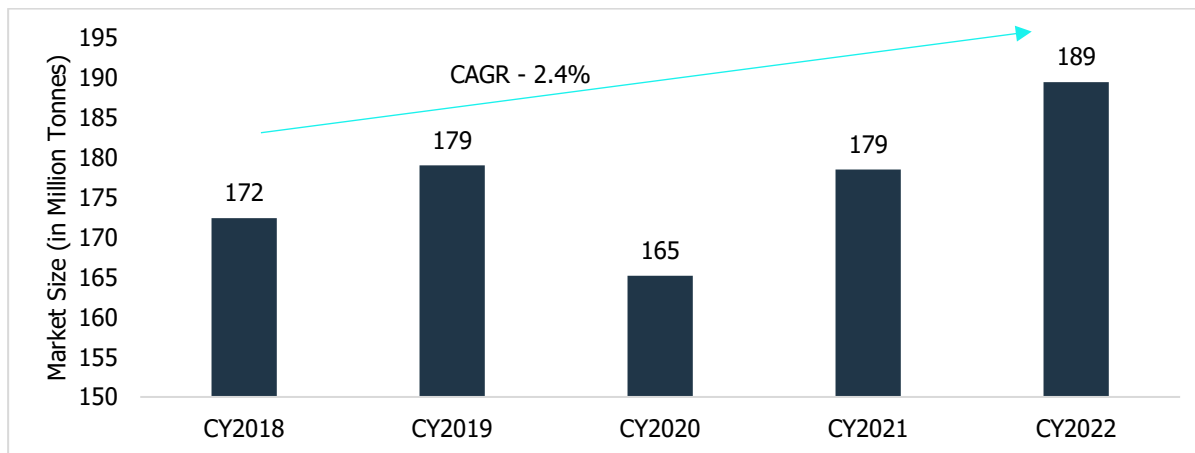
Further, carbonates are found in the shells of many marine animals, such as molluscs and corals. They have a wide range of industrial and commercial uses. They are used in the manufacture of cement, glass, paper, and rubber. Carbonates are also used as food additives and in pharmaceuticals. Carbonate finds its application in Reagents, Pharmaceuticals, Nutraceuticals, Detergents & Cleaners, Paints & Coatings, Paper & Pulp, Construction, Automotive, Electronics, Glass & Ceramics, Veterinary, Metallurgy and Personal Care Industry

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Carbonate Industry – Market Size

The global carbonate industry volumes grew at a CAGR of 2.4% from 172 million tonnes in CY2018 to 189 million tonnes in CY2022.

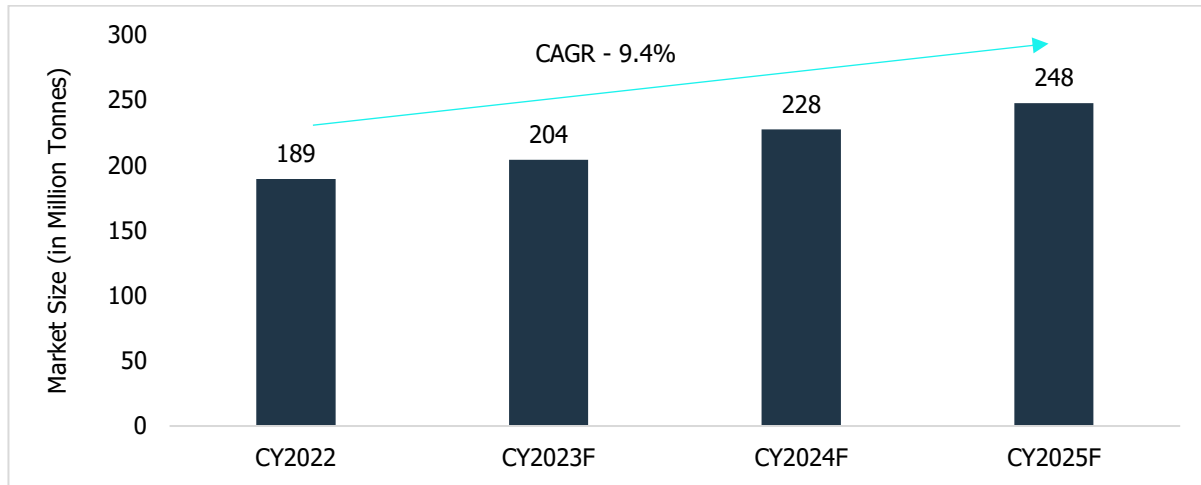
Global Carbonate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The global carbonate industry volumes are expected to grow from 189 million tonnes in CY2022 to 248 million tonnes in CY2025, at a CAGR of 9.4%.

Global Carbonate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

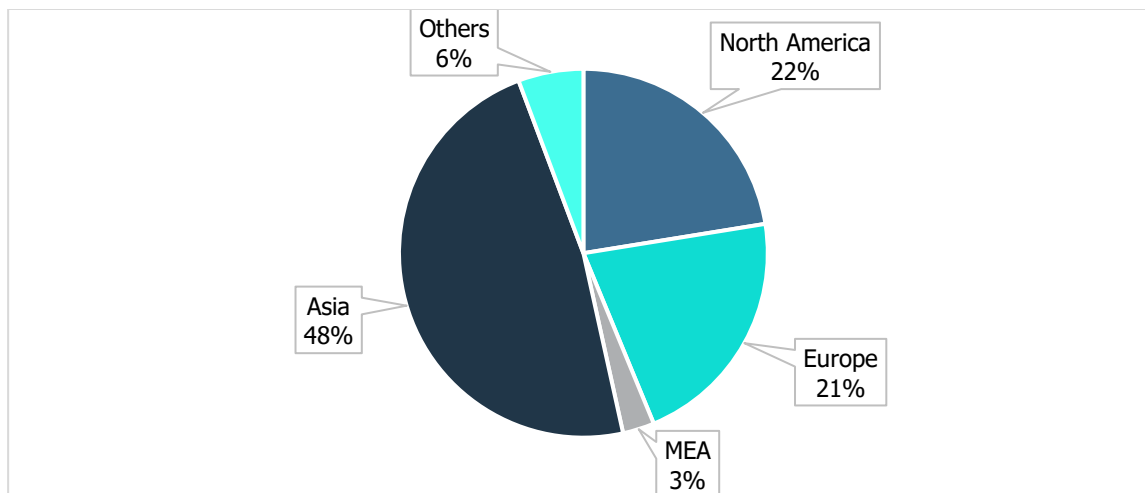
Note: F – Forecasted

The global carbonate industry grew from USD 44 billion in CY2018 to USD 66 billion in CY2022, implying a CAGR of 10.4%. The global carbonate industry is expected to grow at a CAGR of 8.9% in value terms, over the period CY2022-CY2025 to reach market size of USD 85 billion by CY2025, driven primarily by volume growth.

Break-Up of Global Carbonate Industry Value by Geography

Asia has the largest market for carbonates, accounting for around 48% of global demand in CY2022. Carbonate consumption in Asia has grown at a CAGR of 10.9% from CY2018 to CY2022. North America is the second-largest market for carbonates, accounting for around 22% of global demand in CY2022. The carbonate consumption value in this region has grown at a CAGR of 9.7% during CY2018-2022. Europe is the third-largest market for carbonates, accounting for around 21% of global demand. The carbonate market in Europe has grown at a CAGR of 10.5% during CY2018-2022.

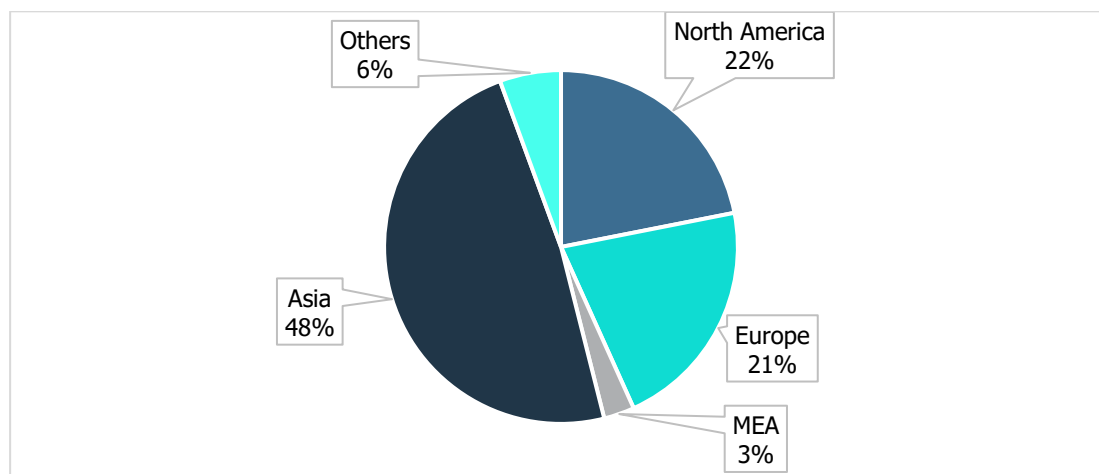
Geography-wise Market Share (CY2022)



Source: Maia Research, XXX Research

Asia will continue to have the largest market share followed by North America and Europe by the end of CY2025.

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-up of Global Carbonate Industry by Grade

The pharma grade carbonates have demonstrated a CAGR of 3.8%, reagent grade 0.4% and nutraceutical grade 2.4% in volume terms, over CY2018-2022. The pharma grade carbonates are expected to demonstrate a CAGR of 9.9%, reagent grade 7.7% and nutraceutical grade 9.7% in volume terms, over CY2022-2025.

Break-Up of Global Carbonate Industry Volume by Grade (in Thousand Tonnes)

Grades									CAGR	
	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CY2018-22	CY2022-25F
Pharma Grade	15.8	16.3	15.9	17.2	18.4	19.9	22.3	24.3	3.8%	9.9%
IP	3.0	3.1	3.0	3.3	3.5	3.8	4.2	4.6	3.8%	9.7%
BP	2.2	2.2	2.2	2.4	2.5	2.8	3.1	3.4	4.1%	10.2%
EP	4.1	4.2	4.0	4.4	4.6	5.0	5.6	6.1	3.3%	9.4%
USP	5.2	5.3	5.2	5.6	5.9	6.4	7.1	7.8	3.4%	9.5%
JP	1.4	1.5	1.5	1.6	1.8	1.9	2.2	2.5	6.0%	12.0%
Reagent Grade	7.8	8.0	7.1	7.6	7.9	8.4	9.2	9.9	0.4%	7.7%
R	4.3	4.4	3.9	4.1	4.3	4.6	5.0	5.4	0.4%	7.6%
AR	1.7	1.8	1.6	1.7	1.8	1.9	2.1	2.2	0.5%	7.9%
GR	1.1	1.1	1.0	1.1	1.1	1.2	1.3	1.4	0.7%	8.0%
ACS	0.7	0.7	0.6	0.6	0.7	0.7	0.8	0.8	0.2%	7.4%
Nutraceutical Grade (FCC)	92.5	96.2	88.4	95.8	101.9	110.1	123.0	134.3	2.4%	9.7%
Others	56.3	58.5	53.9	58.0	61.3	65.8	73.0	79.2	2.1%	8.9%
Total	172.4	179.0	165.2	178.5	189.5	204.2	227.5	247.8	2.4%	9.4%

Source: Maia Research, XXX Research

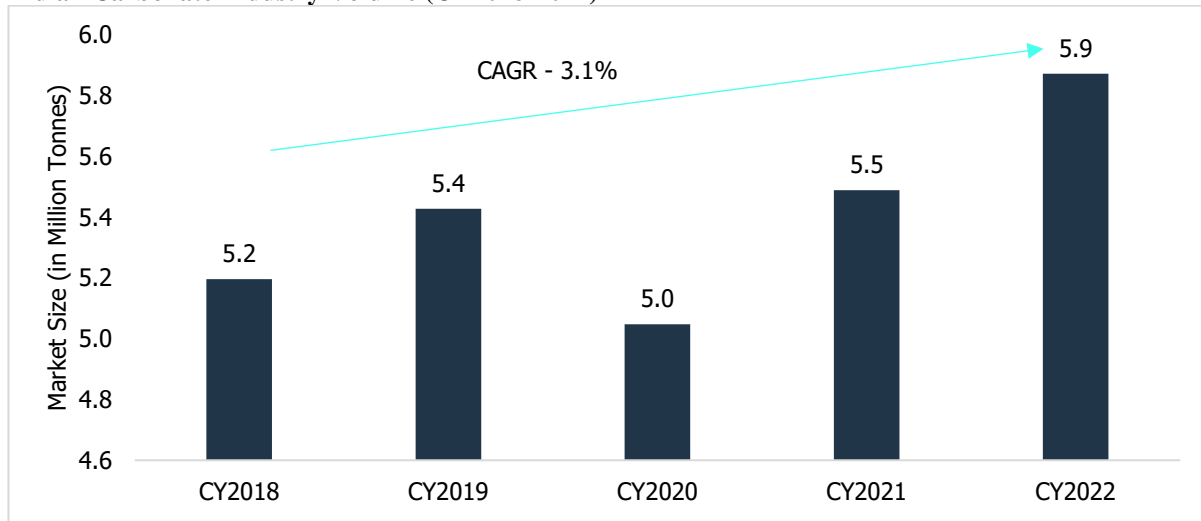
F- Forecasted

Pharma grade, reagent grade and nutraceutical grade carbonate markets grew at a CAGR of 12.0%, 8.3% and 10.5%, respectively, between CY2018 to CY2022. Consumption for these carbonates is expected to grow at a CAGR of 9.4%, 7.2% and 9.2%, respectively, between CY2022 to CY2025.

Indian Carbonate Industry

The Indian carbonate industry volumes grew at a CAGR of 3.1% from 5.2 million tonnes in CY2018 to 5.9 million tonnes in FY2022.

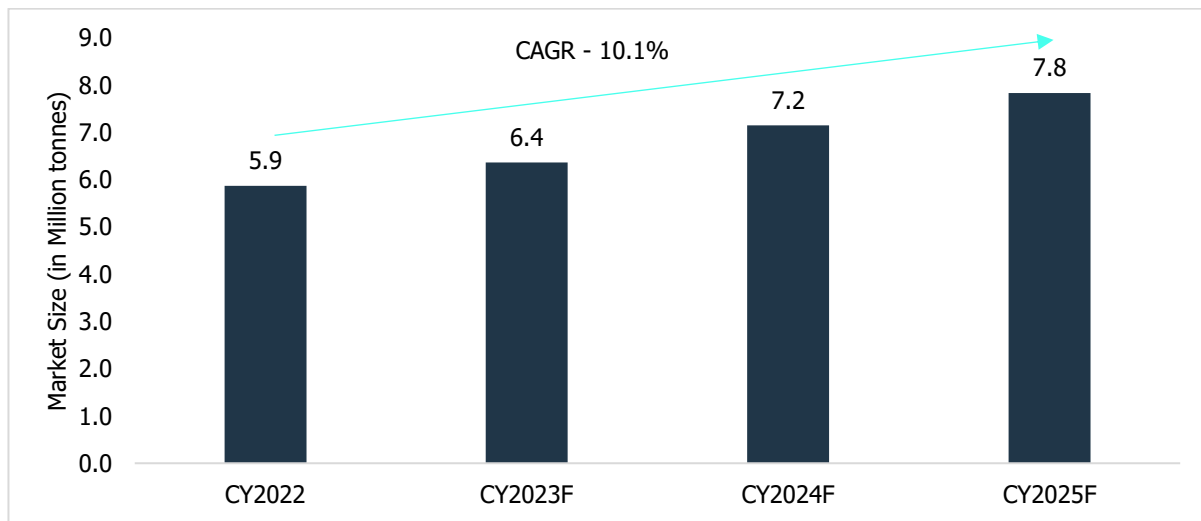
Indian Carbonate Industry Volume (CY2018-2022)



Source: Maia Research, XXX Research

The Indian carbonate industry volumes are expected to grow from 5.9 million tonnes in CY2022 to 7.8 million tonnes in CY2025, at a CAGR of 10.1%.

Indian Carbonate Industry Volume (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian carbonate industry grew from USD 1.2 billion in CY2018 to USD 1.9 billion in CY2022, implying a CAGR of 11.2%. The Indian carbonate industry is expected to grow from USD 1.9 billion in CY2022 to USD 2.5 billion in CY2025, implying a CAGR of 9.6%, driven primarily by volume growth.

Break-up of Indian Carbonate Industry by Grade

The pharma grade carbonates have demonstrated a CAGR of 4.5%, reagent grade 1.1%, and nutraceutical grade 3.2% in volume terms, over CY2018-2022. The pharma grade carbonates are expected to demonstrate a CAGR of 10.6%, reagent grade 8.5% and nutraceutical grade 10.4% in volume terms, over CY2022-2025.

Break-Up of Indian Carbonate Industry Volume by Grade (in Thousand Tonnes)

Grades									CAGR	
	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CY2018-22	CY2022-25F
Pharma Grade	444	461	451	493	530	577	652	717	4.5%	10.6%
IP	95	98	97	105	113	123	139	153	4.4%	10.6%
BP	62	65	64	70	75	82	93	103	4.9%	11.2%
EP	106	109	107	116	124	135	151	166	4.0%	10.2%
USP	149	155	151	164	176	191	215	236	4.3%	10.3%
JP	32	34	34	38	42	47	54	60	7.0%	12.6%
Reagent Grade	183	189	170	182	191	204	226	244	1.1%	8.5%
R	105	108	97	104	110	117	129	139	1.2%	8.1%
AR	38	39	35	38	40	42	47	51	1.3%	8.4%
GR	27	27	25	27	28	30	33	36	0.9%	8.7%
ACS	14	14	13	13	14	15	17	18	0.0%	8.7%
Nutraceutical Grade (FCC)	2546	2663	2465	2688	2883	3134	3530	3878	3.2%	10.4%
Others	2024	2115	1962	2126	2268	2451	2743	2997	2.9%	9.7%
Total	5196	5428	5048	5489	5872	6367	7151	7837	3.1%	10.1%

Source: Maia Research, XXX Research

Note: F: Forecast

Pharma grade, reagent grade, and nutraceutical grade carbonates consumption in India has grown at a CAGR of 12.8%, 9.1%, and 11.3%, respectively, during CY2018-CY2022. The consumption of these chemicals is expected to grow at a CAGR of 10.2%, 8.0%, and 9.9%, respectively, over FY2022-FY2025.

Global Phosphate Industry

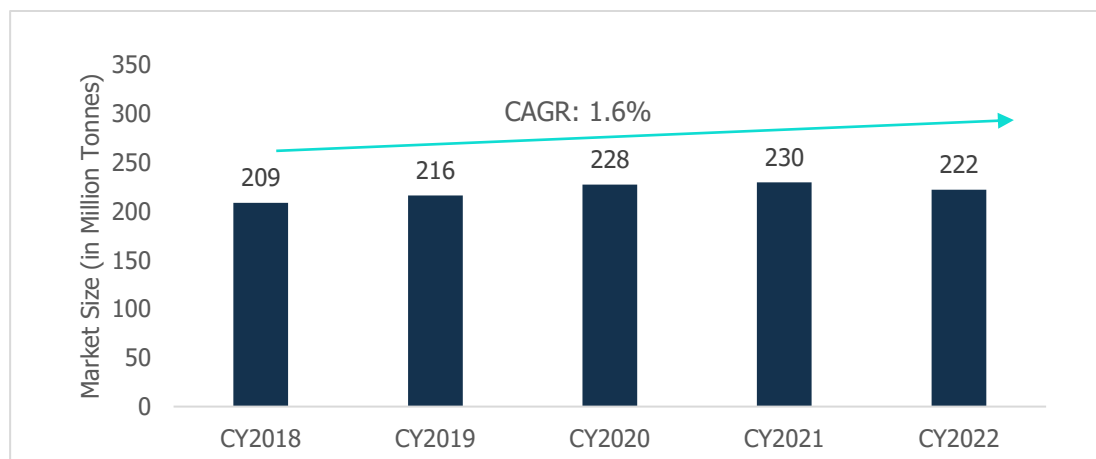
The global phosphate industry plays a vital role in agriculture and several industrial applications. Phosphate rock, primarily sourced from countries like China, Morocco, the United States, and Russia, serves as the main reservoir of phosphorus, an essential element for the growth of plants and animals. Phosphate includes Sodium Phosphate, Potassium Phosphate, Calcium Phosphate, Ammonium Phosphate, Feed-grade and Industrial-grade, etc. Phosphate finds its application in Pharmaceuticals, Nutraceuticals, Reagents, Agrochemicals, Food and Feed, Cleansers & Detergents, Veterinary, Biotech, Metallurgy, Electronics and Personal Care Industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Phosphate Industry – Market Size

Global phosphate industry volumes have grown at a CAGR of 1.6% from 209 million tonnes in CY2018 to 222 million tonnes in CY2022.

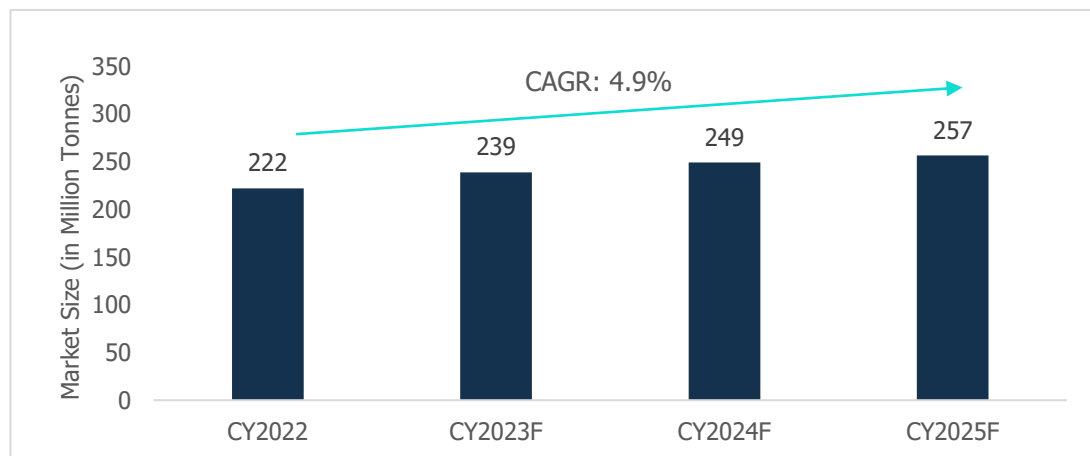
Global Phosphate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The industry volumes are expected to grow at a CAGR of 4.9% from 222 million tonnes in CY2022 to 257 million tonnes in CY2025.

Global Phosphate Industry Volumes (CY2022-2025E)



Source: Maia Research, XXX Research

Note: F: Forecast

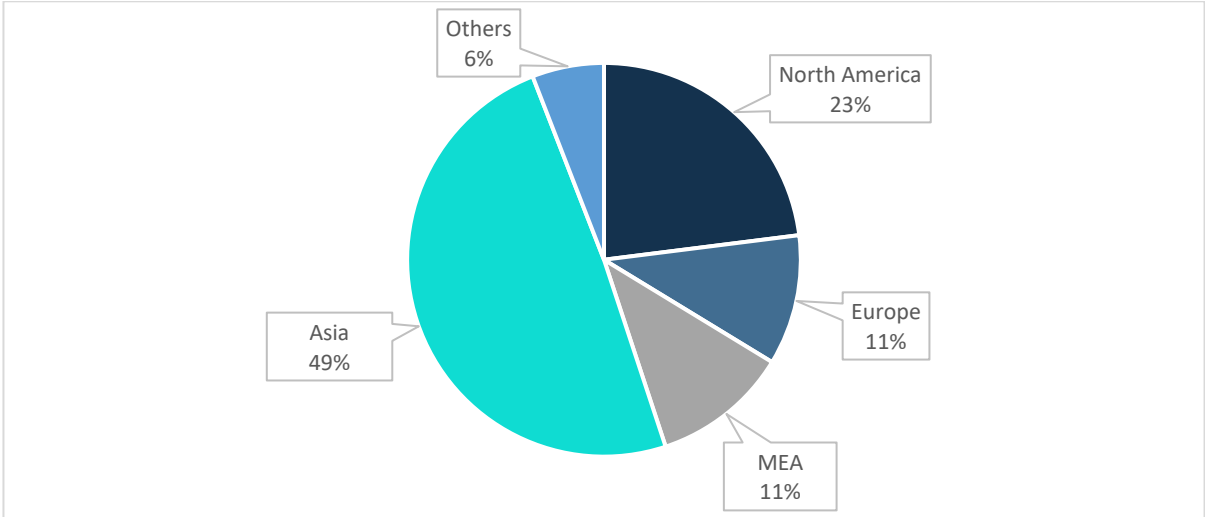
The global phosphate industry has witnessed a CAGR of 17.2%, with global consumption increasing from USD 71 billion in CY2018 to USD 134 billion in CY2022. Notably, there was a substantial price increase of about 75% between CY2018 and CY2022.

The global phosphate industry size is expected to decline from USD 134 billion in CY2022 to USD 130 billion in CY2025. While the volumes are expected to grow at a CAGR of 4.9% during this period, the prices are expected to decline from CY2022 highs, leading to a decline in market size.

Break-Up of Global Phosphate Industry Value by Geography

Asia is the largest market for phosphates, accounting for 49% of the global market share in CY2022. The region recorded growth at a CAGR of 17.8% from CY2018 to CY2022. Whereas, the North American region is the second-largest market for phosphates, representing 23% of the global market share in CY2022. The North America market witnessed a CAGR of 16% from CY2018 to CY2022. Furthermore, both the European and MEA regions are the world's third-largest markets for phosphates, with each region commanding an 11% share of the global market in CY2022. It is noteworthy that the European region has achieved a CAGR of 16.9% and the MEA region has achieved a CAGR of 18% during the period CY2018 to CY2022.

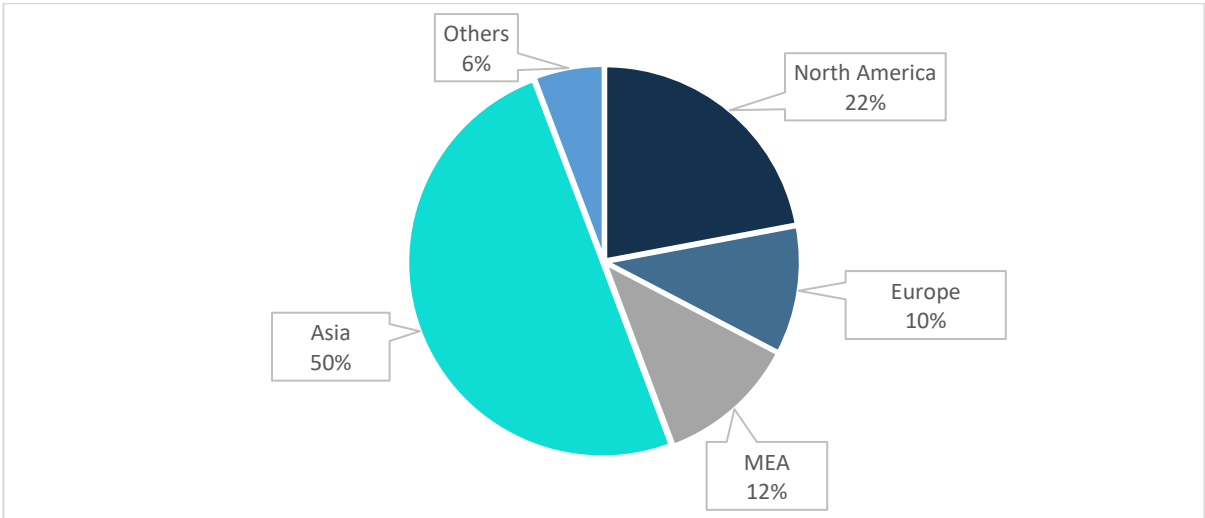
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

Asia is expected to remain the largest market for phosphates with an expected contribution of around 50% by CY2025.

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-Up of Global Phosphate Industry by Grade

The pharma grade phosphates have demonstrated a CAGR of 3.0%, reagent grade -0.4% and nutraceutical grade 1.6% in volume terms, over CY2018-2022. The pharma grade phosphates are expected to demonstrate a CAGR of 5.4%, reagent grade 3.3% and nutraceutical grade 5.2% in volume terms, over CY2022-2025.

Break-up of Global Phosphate Industry Volume by Grade (In Million Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	13	13	15	15	14	16	16	17	3.0%	5.4%
IP	3	3	3	3	3	4	4	4	3.0%	5.3%
BP	1	1	2	2	2	2	2	2	3.3%	5.7%
EP	3	3	4	4	4	4	4	4	2.5%	4.9%
USP	4	4	5	5	4	5	5	5	2.6%	5.1%
JP	1	1	1	2	2	2	2	2	4.9%	7.4%
Reagent Grade	6	6	7	7	6	7	7	7	-0.4%	3.3%
R	3	3	3	3	3	3	4	4	-0.4%	3.2%
AR	1	1	1	1	1	1	1	2	-0.3%	3.5%
GR	1	1	1	1	1	1	1	1	-0.1%	3.6%
ACS	1	1	1	1	1	1	1	1	-0.6%	3.1%
Nutraceutical Grade (FCC)	80	83	87	88	86	92	97	100	1.6%	5.2%
Others	109	113	119	120	116	124	129	133	1.5%	4.7%
Total	209	216	228	230	222	239	249	257	1.6%	4.9%

Source: Maia Research, XXX Research

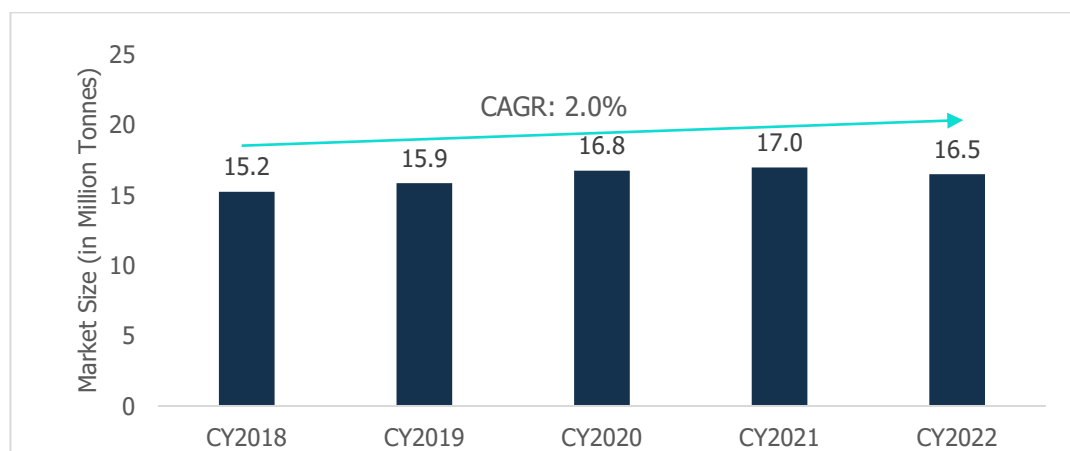
Note: F: Forecasted

The pharma-grade phosphates have demonstrated a CAGR of 18.9%, reagent grade 15% and nutraceutical grade 17.3% in value terms, over CY2018-2022. The market for all these grades is expected to see a decline in value terms over CY2022-25 on account of pricing correction.

Indian Phosphate Industry

The Indian phosphate industry volumes grew at a CAGR of 2% from 15.2 million tonnes in CY2018 to 16.5 million tonnes in CY2022.

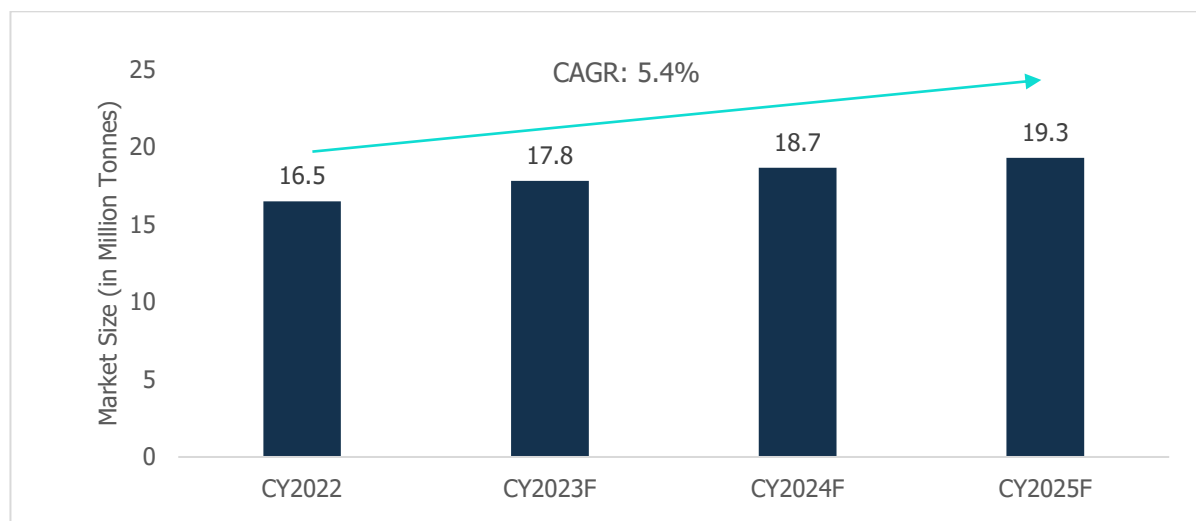
Indian Phosphate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The Indian phosphate industry volumes are expected to increase from 16.5 million tonnes in CY2022 to 19.3 million tonnes in CY2025, at a CAGR of 5.4%.

Indian Phosphate Industry Volume (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian phosphate industry grew at a CAGR of 17.9% from USD 4.5 billion in CY2018 to USD 8.6 billion in CY2022.

The phosphate industry is expected to witness a revenue decline from USD 8.6 billion in CY2022 to USD 8.5 billion in CY2025, at a negative CAGR of approximately 0.5%. While the volumes are expected to grow at a CAGR of 5.4% over this period, the market value is expected to decline on account of price correction from the highs touched in CY2022.

Break-Up of Indian Phosphate Industry by Grade

The pharma grade phosphates have demonstrated a CAGR of 3.4% and nutraceutical grade 2.1% in volume terms, over CY2018-2022. Reagent grade however has not shown any growth for the same period. The pharma grade phosphates are expected to demonstrate a CAGR of 5.9%, reagent grade 3.8% and nutraceutical grade 5.6% in volume terms, over CY2022-2025.

Break-up of Indian Phosphate Industry Volume by Grade (In Thousand Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	759	785	874	890	868	942	992	1030	3.4%	5.9%
IP	200	206	230	233	229	247	261	270	3.4%	5.6%
BP	80	83	92	94	92	100	106	110	3.6%	6.1%
EP	163	168	186	188	183	197	207	214	2.9%	5.4%
USP	240	248	275	279	271	294	308	319	3.1%	5.6%
JP	76	81	91	95	94	104	110	117	5.5%	7.6%
Reagent Grade	278	285	291	291	278	296	305	311	0.0%	3.8%
R	165	169	173	172	165	175	181	184	0.0%	3.7%
AR	64	66	67	67	64	68	70	72	0.0%	4.0%
GR	28	29	29	29	28	30	31	32	0.0%	4.6%
ACS	21	22	22	22	21	22	23	24	0.0%	4.6%
Nutraceutical Grade (FCC)	5431	5658	5951	6049	5891	6378	6701	6946	2.1%	5.6%
Others	8771	9124	9635	9751	9456	10195	10664	11006	1.9%	5.2%

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Total	15239	15852	16751	16981	16494	17811	18662	19292	2.0%	5.4%

Source: Maia Research, XXX Research
Note: F: Forecast

The pharma grade phosphate has projected a CAGR of 19.5%, reagent grade 15.6% and nutraceutical grade 17.9% in value terms, over CY2018-2022. The market for all these grades is expected to see a decline in value terms over CY2022-25 due to pricing correction.

Global Acetate Industry

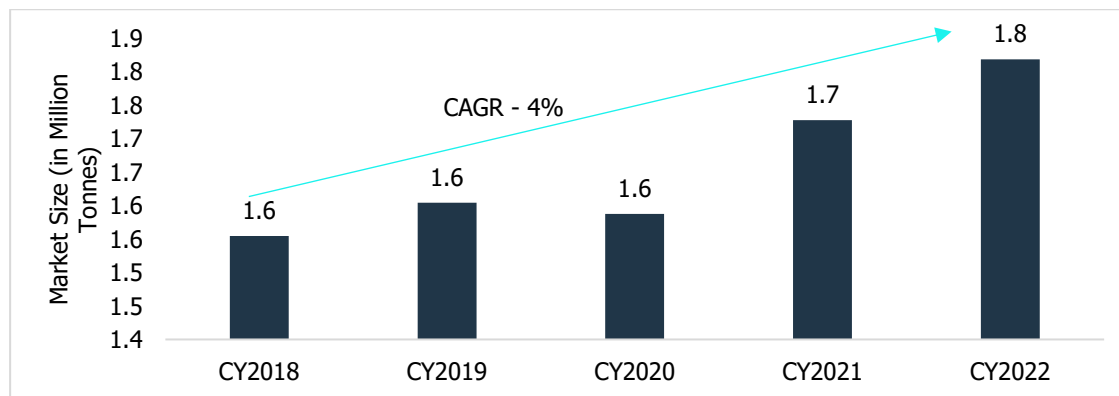
Acetate is a salt or ester of acetic acid. It is a versatile compound with a wide range of uses in many different industries. An acetate is a salt formed by the combination of acetic acid with a base. Acetates are used as food additives to preserve food, adjust acidity, and enhance flavour. Also, they are used in a variety of cosmetic products, such as nail polish removers, hairsprays, and deodorants. Acetate includes Sodium Acetate, Potassium Acetate, Calcium Acetate, Zinc Acetate, Manganese Acetate, Ammonium Acetate, etc. Acetate finds its application in Nutraceuticals, Reagents, Pharmaceuticals, Food, Chemical, Agriculture, Biotech and Personal Care industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Acetate Industry - Market Size

Global acetate industry volumes grew at a CAGR of 4% from 1.6 million tonnes in CY2018 to 1.8 million tonnes in CY2022.

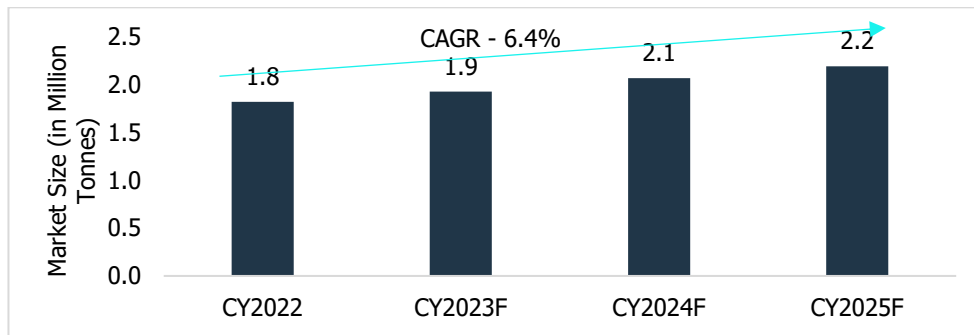
Global Acetate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

Global acetate industry volumes are expected to grow from 1.8 million tonnes in CY2022 to 2.2 million tonnes in CY2025, at a CAGR of 6.4%.

Global Acetate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F - Forecast

The Global acetate industry grew from USD 1 billion in CY2018 to USD 1.3 billion in CY2021, implying a CAGR of 8.3%. There was a y-o-y decline of around 23.5% in CY2022 in the global acetate market size on account of decline in acetate prices.

The acetate industry is expected to grow at a CAGR of 11.4% over the period CY2022-CY2025 to achieve market size of USD 1.4 billion by CY2025, driven by a combination of volume and pricing growth.

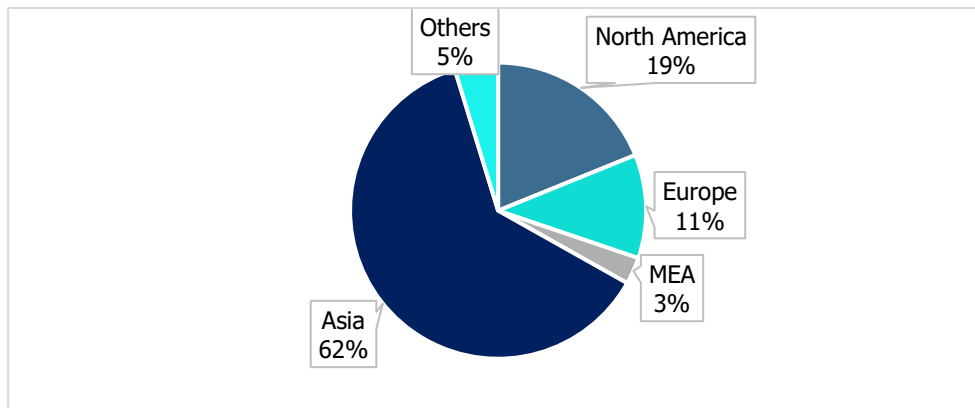
Break-Up of Global Acetate Industry Value by Geography

Asia is the largest market for acetates, accounting for 62% of global demand in CY2022. The acetate market in Asia has grown at a CAGR of 8.4% between CY2018 and CY2021, however, it declined by ~23% y-o-y in CY2022.

North America is the second-largest market for acetates, accounting for 19% of global demand in CY2022. The acetate consumption value in North America has grown at a CAGR of 8.5% between CY2018 and CY2021, however, it declined by ~23% y-o-y in CY2022.

Europe is the third-largest market for acetates, accounting for around 11% of global demand in CY2022. The acetate market in Europe has grown at a CAGR of 7.4% between CY2018 and CY2021, however, it declined by ~23% y-o-y in CY2022.

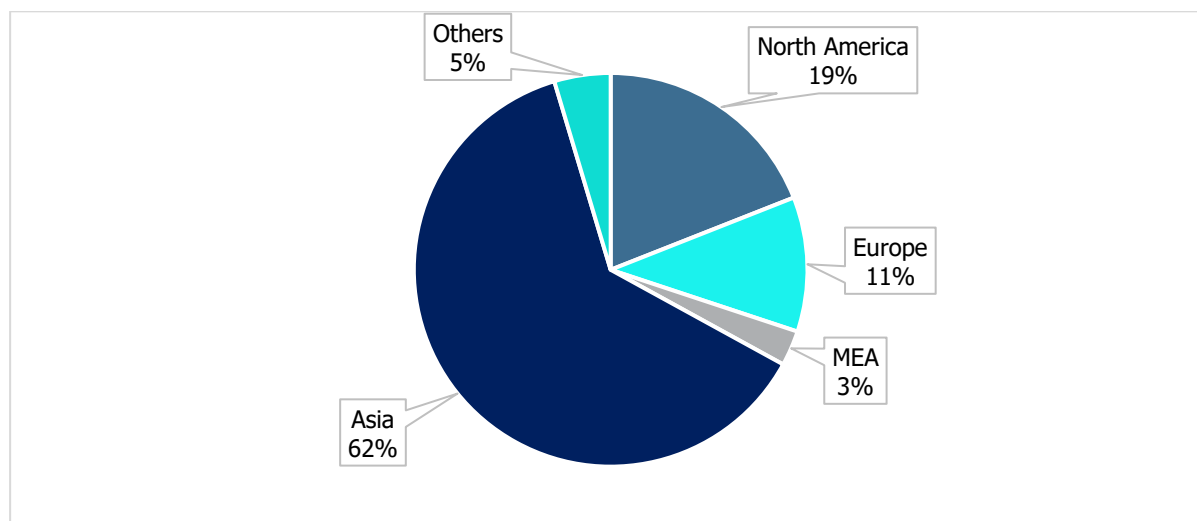
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

Asia is expected to remain the largest-consuming market for acetates with an expected share of 62% in global acetate market in CY2025.

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-Up of Global Acetate Industry by Grade

The pharma grade acetates have demonstrated a CAGR of 16.1%, reagent grade 10.8% and nutraceutical grade 3.1% in volume terms, over CY2018-2022. The pharma grade acetates are expected to demonstrate a CAGR of 7.1%, reagent grade 5.3% and nutraceutical grade 6.6% in volume terms, over CY2022-2025.

Break-Up of Global Acetate Industry Volume by Grade (in Thousand Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	110	167	173	189	200	213	230	246	16.1%	7.1%
IP	18	25	26	26	27	27	29	29	11.9%	1.9%
BP	11	18	18	20	21	23	25	27	16.8%	8.0%
EP	30	46	47	53	56	60	65	70	16.8%	8.1%
USP	33	51	53	58	62	66	71	76	17.1%	7.3%
JP	19	28	29	32	34	37	41	44	16.3%	8.3%
Reagent Grade	62	81	83	89	93	98	104	109	10.8%	5.3%
R	30	36	37	37	39	37	40	39	6.5%	0.0%
AR	12	15	15	16	17	17	18	19	9.8%	4.2%
GR	9	12	12	14	14	16	16	18	13.3%	8.9%
ACS	12	18	19	23	24	28	29	33	18.8%	11.8%
Nutraceutical Grade (FCC)	529	526	519	566	598	634	683	725	3.1%	6.6%
Others	854	830	813	884	928	981	1,051	1,111	2.1%	6.2%
Total	1,555	1,604	1,588	1,728	1,819	1,926	2,068	2,190	4.0%	6.4%

Source: Maia Research, XXX Research

F - Forecasted

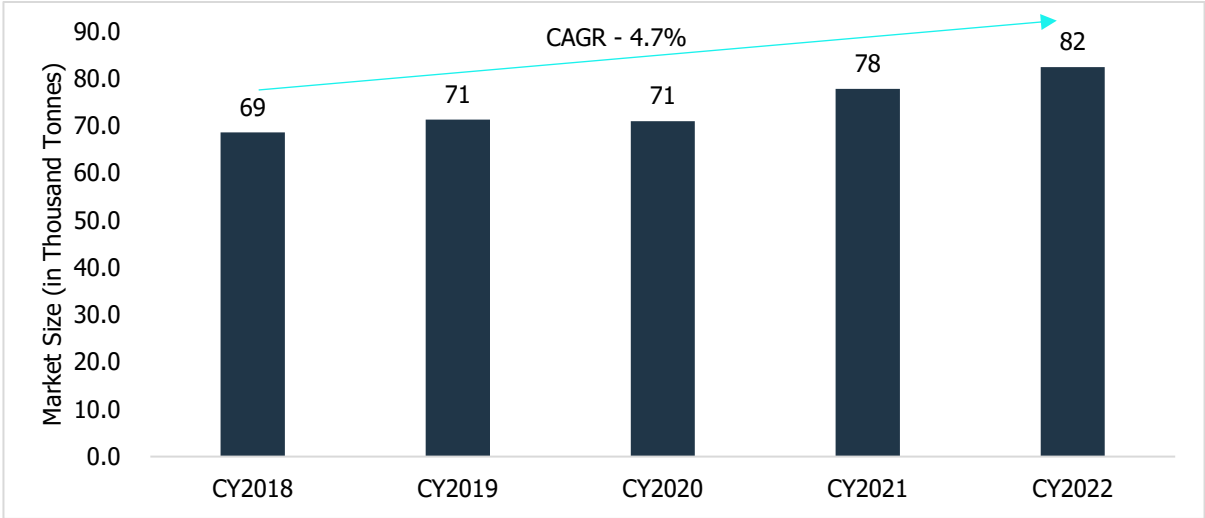
Pharma grade, reagent grade, and nutraceutical grade acetate consumption grew at a CAGR of 7.5%, 6.4%, and 6.2%, respectively, between CY2018 and CY2021. However, due to price correction, the global market size for these grades declined by 30%, 24%, and 23%, respectively, on a y-o-y basis in CY2022.

Pharma grade, reagent grade, and nutraceutical grade consumption is expected to increase at a CAGR of 12.1%, 10.3%, and 11.7%, respectively, during CY2022-CY2025.

Indian Acetate Industry

The Indian acetate industry volumes grew at a CAGR of 4.7% from 69 thousand tonnes in CY2018 to 82 thousand tonnes in CY2022.

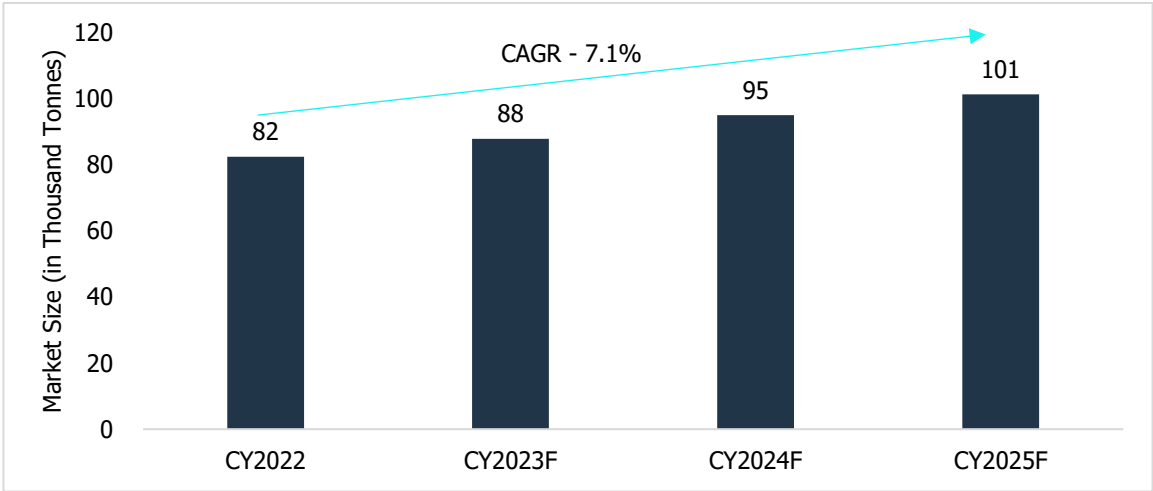
Indian Acetate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The Indian acetate industry volumes are expected to grow from 82 thousand tonnes in CY2022 to 101 thousand tonnes in CY2025, projecting a CAGR of 7.1%.

Indian Acetate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

F - Forecasted

The Indian acetate industry grew from USD 42 million in CY2018 to USD 54 billion in CY2021, implying a CAGR of 8.9%. There was a y-o-y decline of 23% in the industry size in CY2022 due to a correction in acetate prices.

The Indian acetate industry is expected to grow from USD 42 million in CY2022 to USD 59 million in CY2025, projecting a CAGR of 12.1%, driven by a combination of volume and pricing growth.

Break-Up of Indian Acetate Industry by Grade

The Indian acetate market for pharma, reagent, and nutraceutical grades grew at a CAGR of 6%, 4.9%, and 4.5%, respectively, in volume terms between CY2018 and CY2021. Further, the Indian acetate consumption volumes for pharma, reagent, and nutraceutical grades is expected to grow at a CAGR of 7.5%, 6.1% and 7.3%, respectively, between CY2022 and CY2025.

Break-Up of Indian Acetate Industry Volume by Grade (in USD Million)

Breakup by grade	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 (E)	CY2024 (F)	CY2025 (F)	CAGR	
									(CY18-CY21)	(CY22-CY25)
Pharma Grade	5.8	6.0	6.3	6.9	7.4	7.9	8.6	9.2	6.0%	7.5%
IP	0.8	0.9	0.9	1.0	1.1	1.2	1.3	1.4	7.7%	8.4%
BP	0.6	0.7	0.7	0.8	0.8	0.9	0.9	1.0	10.1%	7.7%
EP	1.4	1.5	1.5	1.7	1.8	1.9	2.1	2.2	6.7%	6.9%
USP	1.7	1.8	1.9	2.1	2.2	2.4	2.6	2.8	7.3%	8.4%
JP	1.2	1.2	1.3	1.4	1.5	1.6	1.7	1.8	5.3%	6.3%
Reagent Grade	2.6	2.7	2.7	3.0	3.1	3.3	3.5	3.7	4.9%	6.1%
R	1.4	1.4	1.5	1.6	1.7	1.8	1.9	2.0	4.6%	5.6%
AR	0.7	0.7	0.7	0.8	0.8	0.8	0.9	0.9	4.6%	4.0%
GR	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.0%	0.0%
ACS	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	14.5%	0.0%
Nutraceuticals Grade (FCC)	21.3	22.2	22.1	24.3	25.8	27.5	29.8	31.9	4.5%	7.3%
Others	38.9	40.3	39.9	43.6	46.2	49.1	53.0	56.4	3.9%	6.9%
Total	68.6	71.3	71.0	77.8	82.4	87.8	94.9	101.2	4.3%	7.1%

The Indian acetate market for pharma, reagent, and nutraceutical grades grew at a CAGR of 11%, 9.4%, and 9.1%, respectively, in volume terms between CY2018 and CY2021. However, the consumption value of these grades declined by 23%, 24%, and 23%, respectively on a y-o-y basis in CY2022.

Further, the Indian acetate market for pharma, reagent, and nutraceutical grades is expected to grow at a CAGR of 12.9%, 11% and 12.5%, respectively, between CY2022 and CY2025.

Global Sulphate Industry

Sulphates are inorganic ions found in nature and synthesized for industry. In the natural world, they occur as aerosols from biomass combustion and as part of the sulphur cycle of some microorganisms.

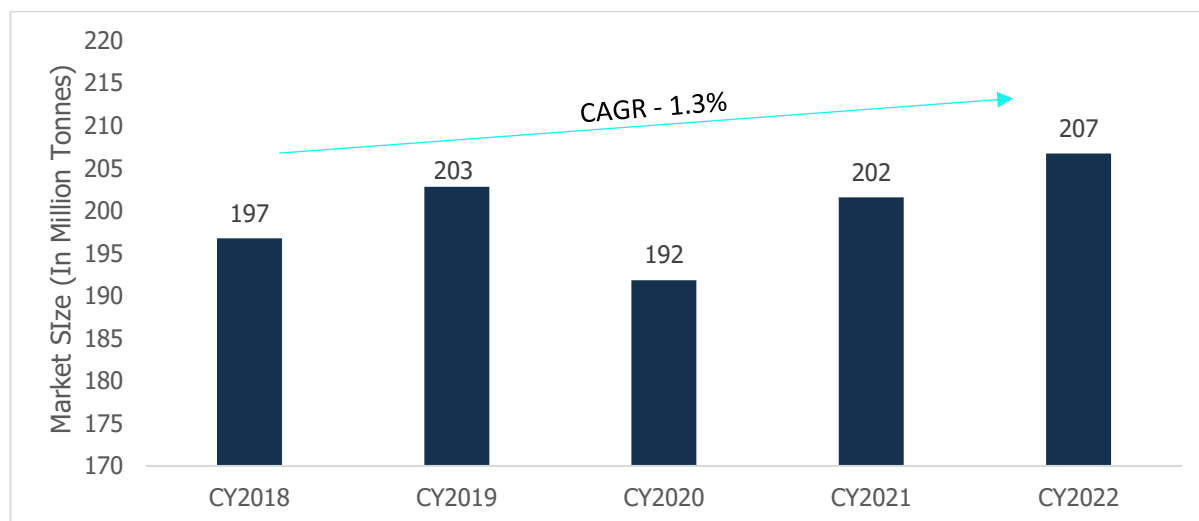
Sulphates are also the salts and esters of sulphuric acid, a highly corrosive acid. These compounds are valuable in many industries because they are excellent detergents, emulsifiers, and foaming agents. Sulphate includes Sodium Sulphate, Potassium sulphate, Calcium Sulphate, Magnesium Sulphate, Copper Sulphate, Ferrous Sulphate, etc. Sulphate finds its application in Agriculture, Industrial, Construction, Reagents, Pharmaceutical, Nutraceuticals, Biotechnology, Metallurgy, Personal Care and Food & Beverages industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Sulphate Industry – Market Size

The global sulphate industry grew at a CAGR of 1.3% in volume terms from 197 million tonnes in CY2018 to 207 million tonnes in CY2022.

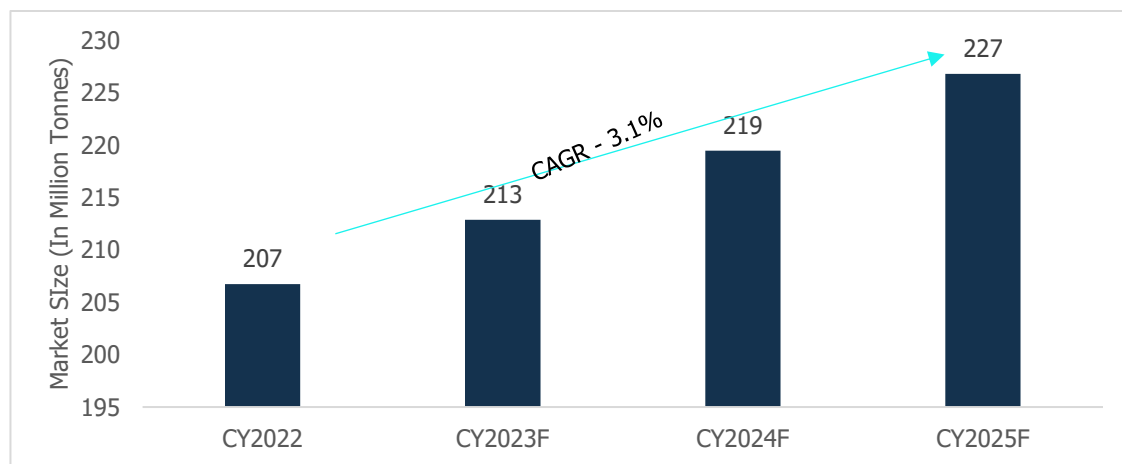
Global Sulphate Volume (CY2018-2022)



Source: Maia Research, XXX Research

The global sulphate industry volumes are expected to grow from 207 million tonnes in CY2022 to 227 million tonnes in CY2025, implying a CAGR of 3.2% over this period.

Global Sulphate Volume (CY2022-2025E)



Source: Maia Research, XXX Research

F: Forecast

The global sulphate industry grew at a CAGR of 2.8% from USD 18.7 billion in CY2018 to USD 20.9 billion in CY2022.

The global sulphate industry size is expected to increase from USD 20.9 billion in CY2022 to USD 23.2 billion in CY2025, implying a CAGR of 3.5% over this period, led by increase in consumption volumes.

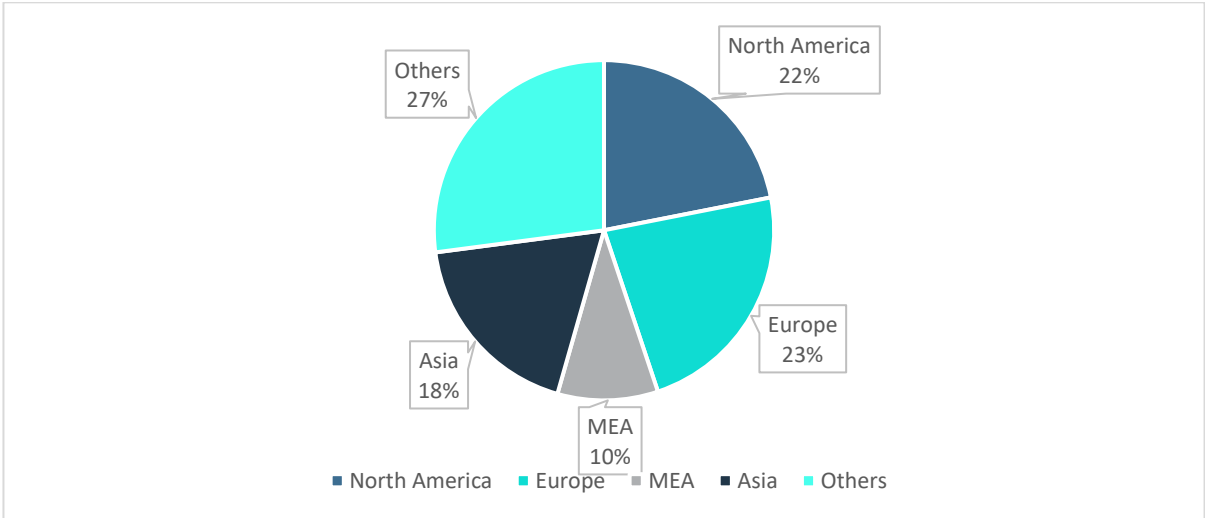
Break-Up of Global Sulphate Industry Value by Geography

Europe is the largest consumer of sulphate, accounting for over 23% of the global market share in CY2022. The region's demand witnessed a CAGR of 2.2% from CY2018 to CY2022.

Whereas North America is the second-largest consumer of sulphates, accounting for over 22% of the global market share in CY2022. The region has experienced growth at a CAGR of 2.9% from CY2018 to CY2022.

Further, Asia is the third-largest market of sulphates, accounting for 18% of the global market share in CY2022. The region's consumption has grown at a CAGR of 2.7% from CY2018 to CY2022.

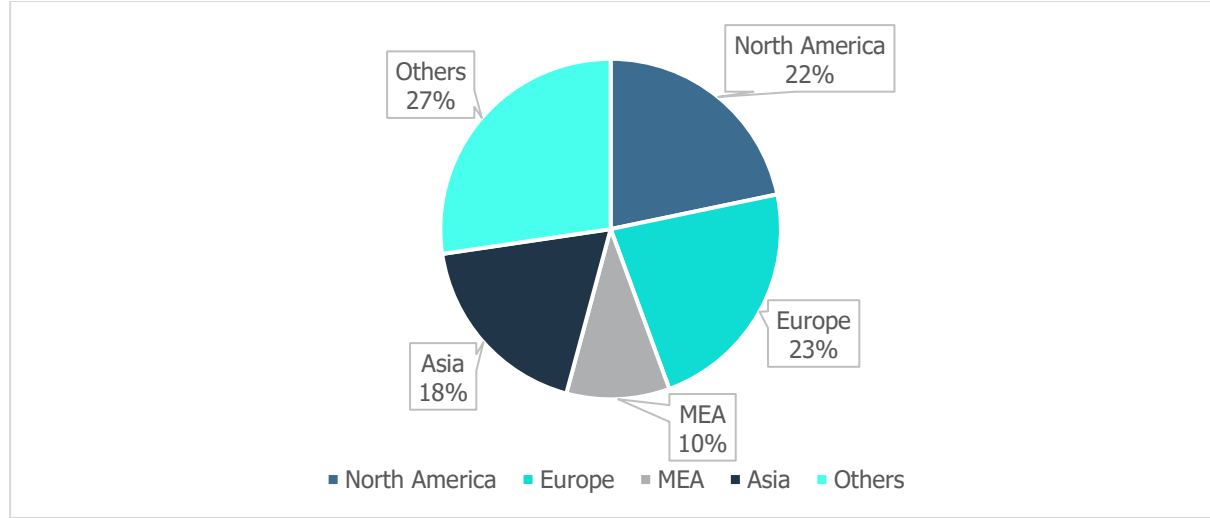
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

Europe is expected to remain the largest market for sulphates with an expected contribution of 23% in CY2025.

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-Up of Global Sulphate Industry by Grade

The pharma grade sulphates have demonstrated a CAGR of 2.3%, reagent grade -1.0% and nutraceutical grade 2.0% in volume terms, over CY2018-2022. The pharma grade sulphates are expected to demonstrate a CAGR of 3.7%, reagent grade 1.5% and nutraceutical grade 3.8% in volume terms, over CY2022-2025.

Break-Up of Global Sulphate Industry Volume by Grade (In Thousand Tonnes)

Grade	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR (CY18- CY22)	CAGR (CY22- CY25)
Pharma Grade	1,695	1,712	1,713	1,806	1,858	1,922	1,991	2,073	2.3%	3.7%
IP	137	137	137	146	149	153	159	163	2.1%	3.0%
BP	147	152	150	160	167	172	177	187	3.2%	3.8%
EP	547	544	534	560	578	604	613	629	1.4%	2.9%
USP	711	719	728	760	773	795	835	873	2.1%	4.1%
JP	152	160	164	180	190	198	208	221	5.7%	5.2%
Reagent Grade	1,511	1,512	1,378	1,429	1,449	1,465	1,507	1,514	-1.0%	1.5%
R	785	779	711	734	754	756	781	778	-1.0%	1.0%
AR	316	317	287	296	297	302	310	314	-1.5%	1.9%
GR	226	229	211	221	221	230	234	235	-0.6%	2.1%
ACS	184	187	169	178	178	177	182	186	-0.8%	1.5%
Nutraceutic als Grade (FCC)	1,501	1,528	1,466	1,576	1,627	1,704	1,774	1,819	2.0%	3.8%
Others	1,92,041	1,98,080	1,87,262	1,96,761	2,01,812	2,07,766	2,14,207	2,21,403	1.2%	3.1%
Total	1,96,749	2,02,833	1,91,820	2,01,571	2,06,745	2,12,858	2,19,479	2,26,809	1.2%	3.1%

Source: Maia Research, XXX Research

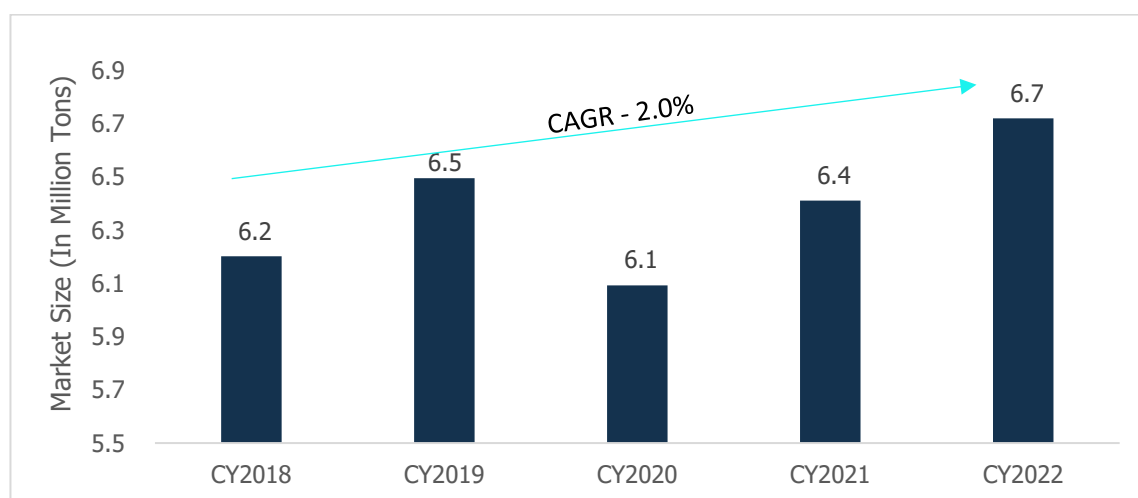
Note: F: Forecast

The pharma grade sulphates have witnessed a CAGR of 4.2%, reagent grade 0.9% and nutraceutical grade 2.9% in value terms, over CY2018-2022. The market for all these grades is expected to see moderate growth in value terms by 4.0%, 1.9%, and 3.7%, respectively, over CY2022-2025.

Indian Sulphate Industry

The Indian sulphate industry's consumption volumes grew at a CAGR of 2.0% from 6.2 million tonnes in CY2018 to 6.7 million tonnes in CY2022.

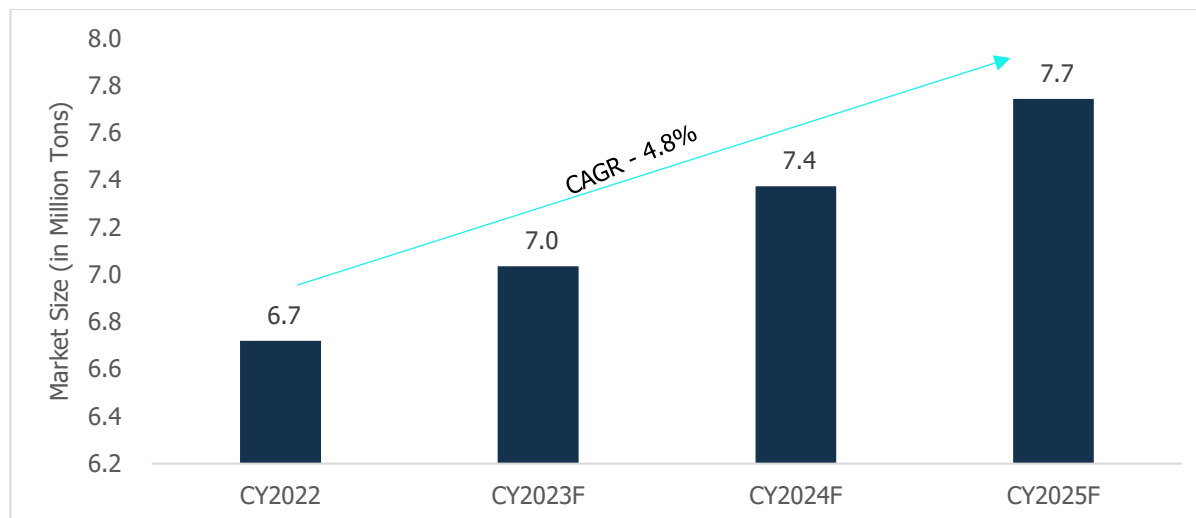
Indian Sulphate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The Indian sulphate industry's consumption volumes are expected to grow from 6.7 million tonnes in CY2022 to 7.7 million tonnes in CY2025, at a CAGR of 4.8%.

Indian Sulphate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian sulphate industry grew at a CAGR of 3.6% from USD 531 million in CY2018 to USD 612 million in CY2022.

The Indian sulphate consumption value is expected to grow from USD 612 million in CY2022 to USD 712 million in CY2025, at a CAGR of 5.2%, driven primarily by an increase in consumption volumes.

Break-Up of Indian Sulphate Industry Value and Volume by Grade

The pharma grade sulphates have demonstrated a CAGR of 3.5%, reagent grade -0.1%, and nutraceutical grade 2.3% in volume terms, over CY2018-2022. The pharma grade sulphates is expected to demonstrate a CAGR of 5.4%, reagent grade 3.6% and nutraceutical grade 4.4% in volume terms, over CY2022-2025.

Break-Up of Indian Sulphate Industry Volume by Grade (In Thousand Tonnes)

Grade	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR (CY18-CY22)	CAGR (CY22-CY25F)
Pharma Grade	45.3	46.8	46.2	48.9	51.9	54.6	57.4	60.7	3.5%	5.4%
IP	15.2	15.9	15.7	16.6	17.7	18.6	19.4	20.2	3.9%	4.5%
BP	5.7	5.9	5.9	6.2	6.6	7.1	7.6	8.1	3.7%	7.1%
EP	10.4	10.6	10.5	11.1	11.5	12.1	12.5	13.0	2.5%	4.2%
USP	11.2	11.5	11.1	11.7	12.6	13.1	14.0	15.0	3.0%	6.0%
JP	2.8	3.0	3.0	3.2	3.5	3.7	4.0	4.4	5.7%	7.9%
Reagent Grade	45.4	46.4	42.5	43.8	45.2	46.4	48.5	50.2	-0.1%	3.6%
R	26.5	27.0	24.8	25.5	26.3	26.8	28.1	29.1	-0.2%	3.4%
AR	10.5	10.7	9.7	10.1	10.3	10.9	11.4	11.7	-0.5%	4.3%
GR	4.6	4.9	4.5	4.7	4.9	5.0	5.1	5.3	1.6%	2.7%
ACS	3.8	3.9	3.5	3.5	3.6	3.7	3.8	4.0	-1.3%	3.6%

Grade	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023 F	CY2024 F	CY2025 F	CAGR (CY18- CY22)	CAGR (CY22- CY25F)
Nutraceuticals Grade (FCC)	42.7	45.0	42.7	44.4	46.8	48.1	50.8	53.3	2.3%	4.4%
Others	6,068.0	6,357.0	5,962.0	6,274.0	6,576.0	6,886.0	7,218.0	7,580.0	2.0%	4.9%
Total	6,202.0	6,495.0	6,093.0	6,411.0	6,720.0	7,035.0	7,374.0	7,744.0	2.0%	4.8%

Source: Maia Research, XXX Research
F: Forecast

The pharma grade sulphates have demonstrated a CAGR of 5.0%, reagent grade 1.6%, and nutraceutical grade 3.6% in value terms, over CY2018-2022. The market for these grades is expected to increase by CAGR of 5.7%, 3.6%, and 5.4%, respectively, in value terms, over CY2022-25.

Global Gluconate Industry

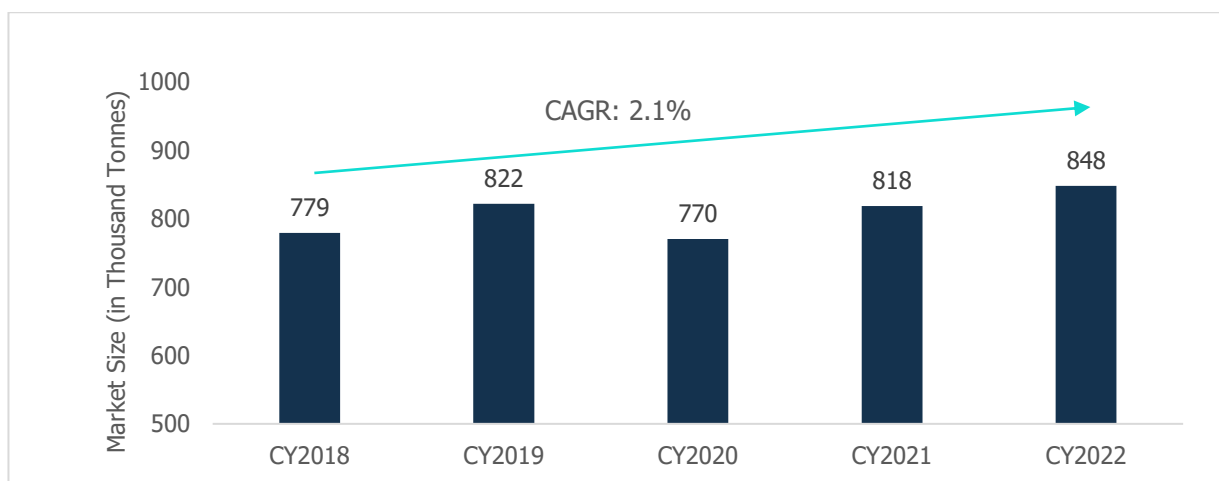
Gluconates are salts of gluconic acid, a naturally occurring organic acid. They are produced by fermenting glucose, a sugar derived from corn or other starch-based crops. They are used in a variety of products, including food & beverages, pharmaceuticals, personal care products, and industrial applications. Gluconate includes Calcium Gluconate, Potassium Gluconate, Sodium Gluconate, Zinc Gluconate, etc. It finds its application in Nutraceuticals and Pharmaceuticals, Food & Beverages, Construction, Veterinary, Biotech, Metallurgy, Electronics and Personal Care industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Gluconates Industry – Market Size

The global gluconates industry volumes grew at 2.1% CAGR from 779 thousand tonnes in CY2018 to 848 thousand tonnes in CY2022.

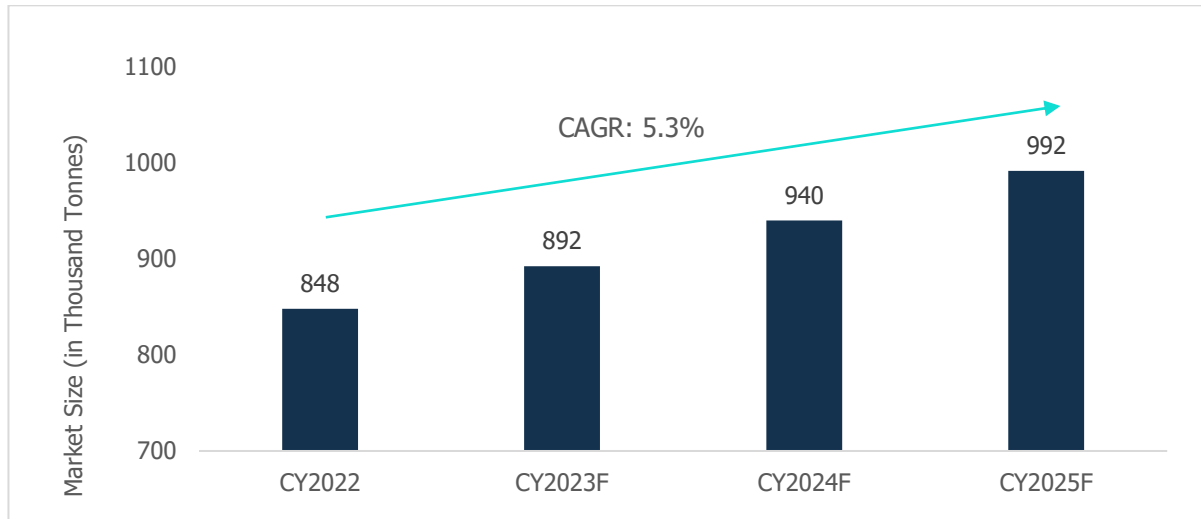
Global Gluconates Industry Volume (CY2018-2022)



Source: Maia Research, XXX Research

The global gluconates industry volumes are expected to increase from 848 thousand tonnes in CY2022 to 992 thousand tonnes in CY2025, at a CAGR of 5.3%.

Global Gluconates Industry Volume (CY2022-2025E)



Source: Maia Research, XXX Research

Note: F: Forecast

The global gluconates industry value has witnessed expansion at a CAGR of 4.0%, from USD 597 million in CY2018 to USD 698 million in CY2022.

The global gluconates industry is anticipated to witness a modest increase in size, projected to grow from USD 698 million in CY2022 to USD 825 million by CY2025, driven by volume growth.

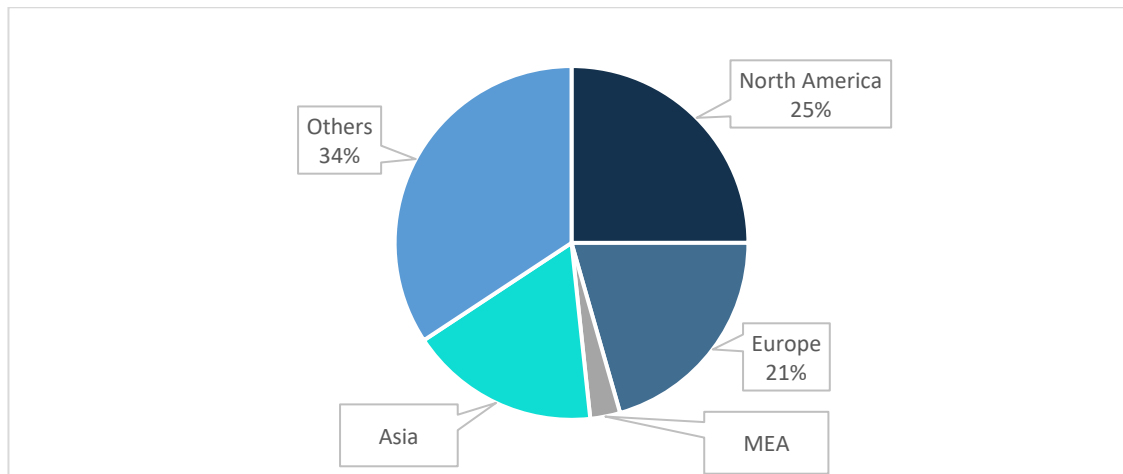
Break-Up of Global Gluconate Industry Value by Geography

The North American region is the largest market for gluconate, representing 25% of the global market share in CY2022. The region has demonstrated a CAGR of 3.5% from CY2018 to CY2022.

Further, in CY2022, the European region stands as the world's second-largest market for gluconates, commanding approximately 21% of the global market share. This region has witnessed a CAGR of 3.4% from CY2018 to CY2022.

Asia is the third-largest market for gluconate, accounting for 17% of the global market share in CY2022. This region's consumption has grown at a CAGR of 4.0% from CY2018 to CY2022.

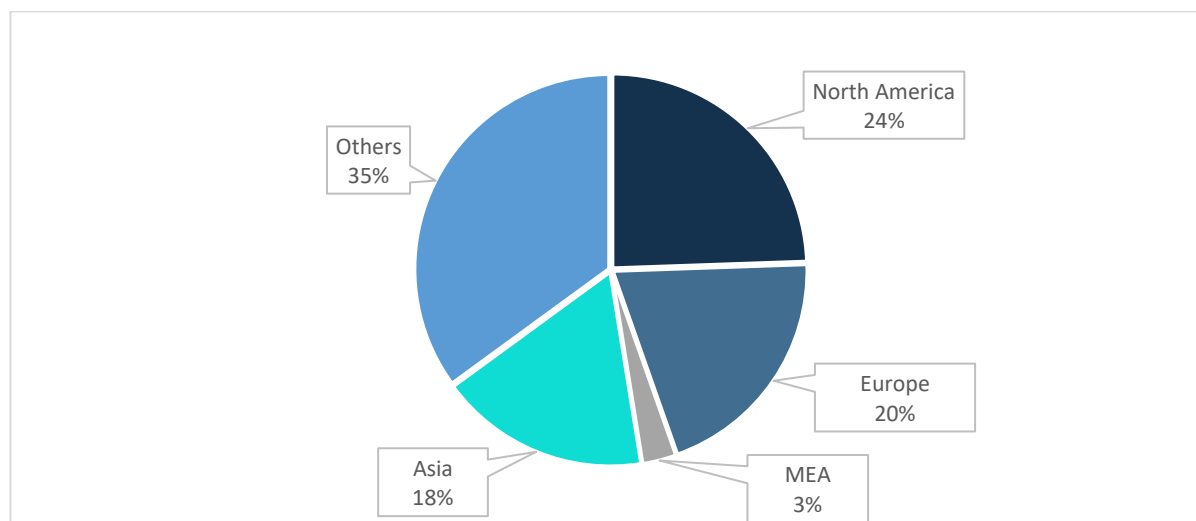
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

North America is expected to remain the largest market for gluconate with an expected contribution of around 24% by CY2025

Geography-Wise Market Share (CY2025F)



Source: Maia Research, XXX Research

Break-Up of Global Gluconate Industry by Grade

The pharma grade gluconates have demonstrated a CAGR of 3.5%, reagent grade mere 0.1% and nutraceutical grade 3.1% in volume terms, over CY2018-2022. The pharma grade gluconates are expected to demonstrate a CAGR of 5.7%, reagent grade 3.4% and nutraceutical grade 5.8% in volume terms, over CY2022-2025.

Break-Up of Global Gluconate Industry by Grade (In thousand tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	128.0	134.6	133.0	140.7	146.7	154.0	162.8	173.2	3.5%	5.7%
IP	8.2	8.6	8.5	9.1	9.4	9.7	10.3	10.8	3.5%	4.7%
BP	12.3	13.2	12.9	13.8	14.6	15.2	16.0	17.3	4.4%	5.8%
EP	44.9	46.4	45.0	47.4	49.6	52.6	54.4	57.1	2.5%	4.8%
USP	52.2	55.0	55.1	57.7	59.5	62.1	66.6	71.2	3.3%	6.2%
JP	10.4	11.4	11.6	12.7	13.6	14.4	15.4	16.8	6.9%	7.3%
Reagent Grade	41.0	42.7	38.5	40.0	41.1	42.2	44.3	45.4	0.1%	3.4%
R	21.6	22.3	20.1	20.9	21.7	22.1	23.3	23.7	0.1%	3.0%
AR	8.3	8.7	7.8	8.1	8.2	8.5	8.9	9.2	-0.3%	3.9%
GR	6.8	7.1	6.5	6.8	6.9	7.3	7.6	7.8	0.4%	4.2%
ACS	4.3	4.5	4.0	4.3	4.3	4.4	4.6	4.8	0.0%	3.7%
Nutraceutical Grade (FCC)	76.6	81.1	76.9	82.9	86.7	92.2	97.9	102.6	3.1%	5.8%
Others	533.4	563.4	522.0	554.6	573.5	603.8	634.8	670.2	1.8%	5.3%
Total	779.0	821.8	770.3	818.3	848.1	892.1	939.8	991.5	2.1%	5.3%

Source: Maia Research, XXX Research

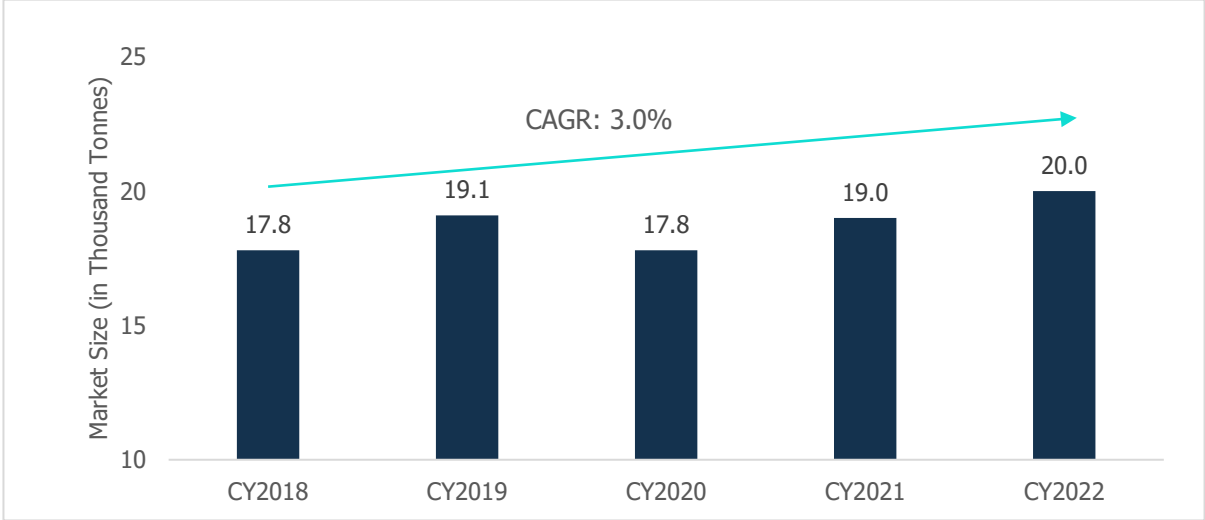
Note: F: Forecast

The pharmaceutical-grade gluconate exhibited a CAGR of 5.4%, while the reagent grade recorded a CAGR of 2.0%, and the nutraceutical grade a CAGR of 4.0% in terms of value during the period from CY2018 to CY2022.

Indian Gluconates Industry

The Indian gluconates industry volumes have grown at a CAGR of 2% from 17.8 thousand tonnes in CY2018 to 20 thousand tonnes in CY2022.

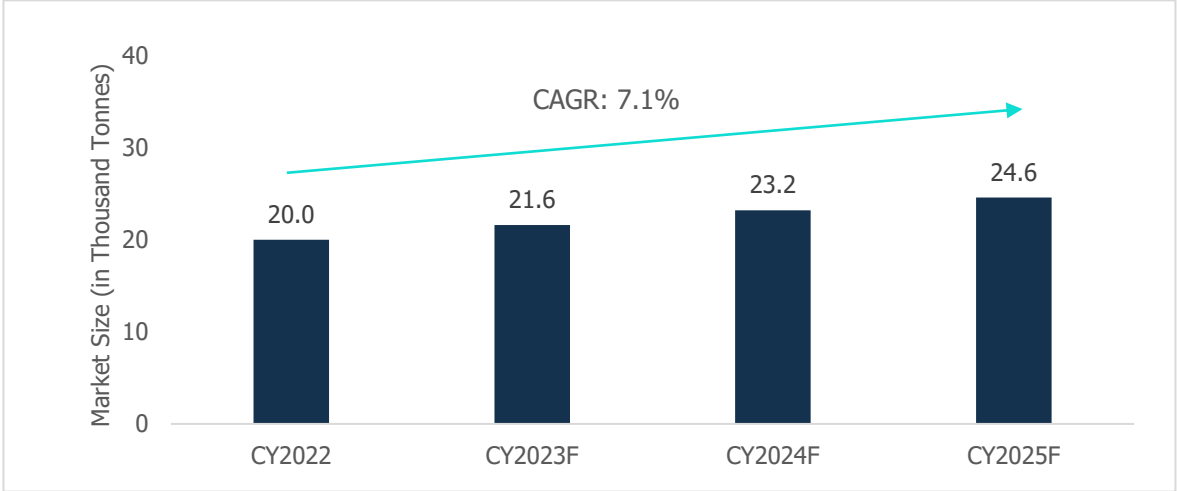
Indian Gluconates Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The industry volumes are expected to grow from 20 thousand tonnes in CY2022 to 24.6 thousand tonnes in CY2025, at a CAGR of 7.1%.

Indian Gluconates Industry Volumes (CY2022-2025E)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian gluconate industry grew at a CAGR of 4.9% in value terms from CY2018 to CY2022. The gluconate industry is expected to project a revenue growth from USD 23 million in CY2022 to USD 29 million in CY2025, at a CAGR of approximately 7.5%, driven by growth in volumes.

Break-Up of Indian Gluconates Industry by Grade

The pharma grade gluconates have demonstrated a CAGR of 5.3%, reagent grade 1.8%, and nutraceutical grade 4.4% in volume terms, over CY2018-2022. The pharma grade gluconates is expected to demonstrate a CAGR of 7.5%, reagent grade 5.5% and nutraceutical grade 6.4% in volume terms, over CY2022-2025.

Break-up of Indian Gluconate Industry by Grade (In Thousand Tonnes)

Grades	CY2018	CY2019	CY2020	CY2021	CY2022	CY2023F	CY2024F	CY2025F	CAGR	
									CY2018-22	CY2022-25F
Pharma Grade	4.4	4.6	4.7	5.0	5.4	5.8	6.3	6.7	5.3%	7.5%
IP	1.1	1.1	1.1	1.2	1.3	1.4	1.5	1.6	5.9%	6.8%
BP	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.9	5.5%	9.5%
EP	1.1	1.2	1.2	1.3	1.3	1.4	1.5	1.6	4.4%	6.2%
USP	1.4	1.5	1.5	1.6	1.7	1.9	2.0	2.2	5.1%	8.0%
JP	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4	7.5%	10.4%
Reagent Grade	1.3	1.4	1.3	1.4	1.4	1.5	1.6	1.7	1.8%	5.5%
R	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	1.8%	5.3%
AR	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.5	1.4%	5.8%
GR	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	3.9%	4.6%
ACS	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.0%	7.7%
Nutraceutical Grade (FCC)	1.9	2.1	2.0	2.2	2.3	2.4	2.6	2.8	4.4%	6.4%
Others	10.2	10.9	9.7	10.4	11.0	11.8	12.7	13.5	1.9%	7.2%
Total	17.8	19.1	17.8	19.0	20.0	21.6	23.2	24.6	3.0%	7.1%

Source: Maia Research, XXX Research

Note: F: Forecast

Over the period from CY2018 to CY2022, pharmaceutical-grade gluconate exhibited a CAGR of 6.3%, reagent-grade gluconate saw a CAGR of 2.9%, and nutraceutical-grade gluconate recorded a CAGR of 5.0% in terms of value. Going forward, it is anticipated that the market for these gluconate grades will maintain a consistent growth trajectory in terms of value from CY2022 to CY2025.

Global Glycinate Industry

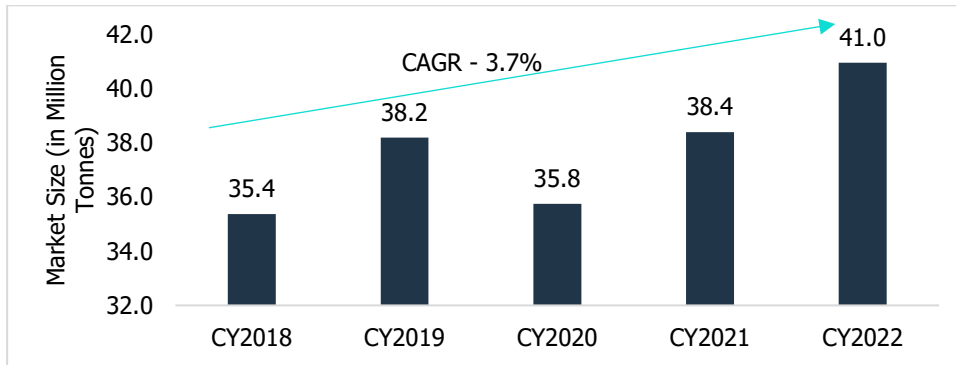
Glycinate is an α -amino-acid anion, a conjugate base of glycine, arising from deprotonation of the carboxy group. It has a role as a fundamental metabolite. It is a conjugate base of a glycine. Glycinate includes Zinc Glycintae, Copper Glycinate, Manganese Glycinate, Iron Glycinate, Calcium Glycinate, Magnesium Glycinate, Ferrous Glycinate, Manganese Glycinate, Cobalt Glycinate, Chromium Glycinate, etc. It finds its application in Pharmaceuticals & Nutraceuticals, Reagents, Food & Beverages, Feed, Metallurgy and Biotechnology Industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Glycinate Industry – Market Size

The global glycinate industry volumes have grown at a CAGR of 3.7% from 35.4 million tonnes in CY2018 to 41.0 million tonnes in CY2022.

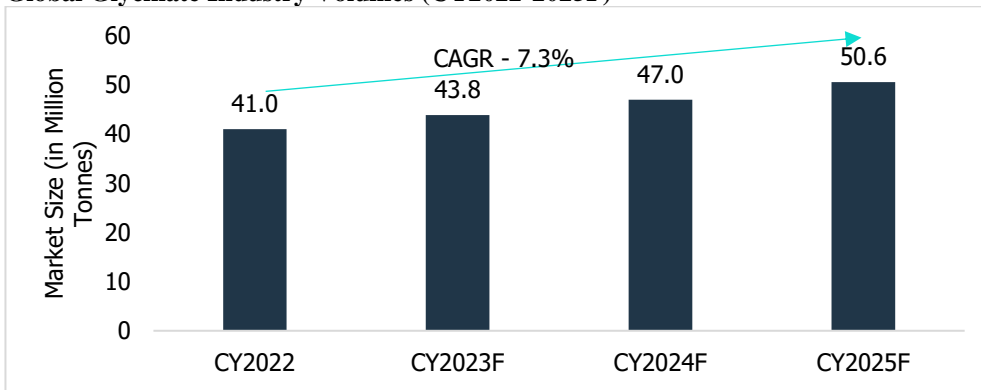
Global Glycinate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The global glycinate industry volumes are expected to grow from 41.0 million tonnes in CY2022 to 50.6 million tonnes in CY2025, at a CAGR of 7.3%.

Global Glycinate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F - Forecast

The global glycinate industry grew from USD 282.2 million in CY2018 to USD 344 million in CY2022, implying a CAGR of 5.1%.

The global glycinate industry is expected to grow at a CAGR of 7.6% over the period CY2022-CY2025 to reach market size of USD 429 million by CY2025, primarily driven by volume growth.

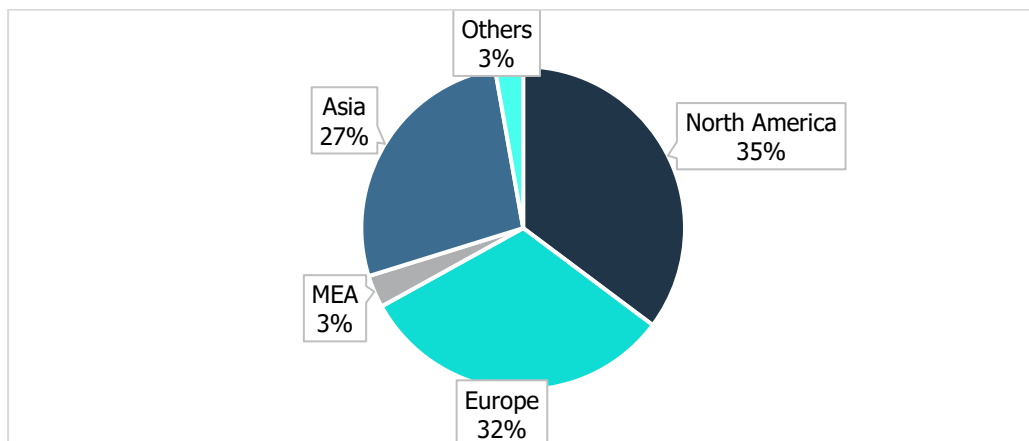
Break-Up of Global Glycinate Industry Value by Geography

North America has the largest market for glycinates, accounting for around 35% of global demand in CY2022. The glycinate consumption in North America has grown at a CAGR of 4.8% from CY2018 to CY2022.

Europe is the second-largest market for glycinates, accounting for around 32% of the global demand in CY2022. The carbonate consumption value in this region has grown at a CAGR of 4.7% from CY2018 to CY2022.

Asia is the third-largest market for glycinates, accounting for around 27% of global demand. The carbonate Market in Asia has grown at a CAGR of 5.6% from CY2018 to CY2022.

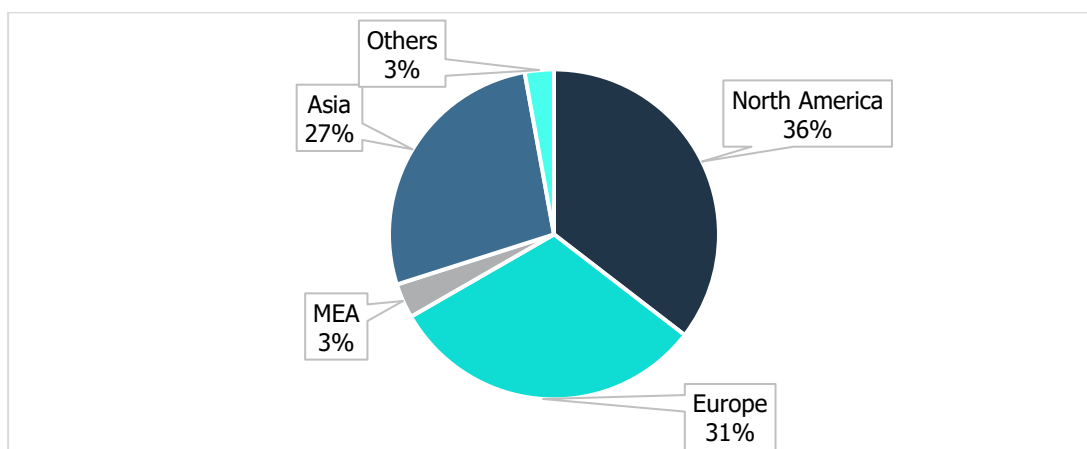
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

North America will continue to have the largest market share followed by Europe and Asia by the end of CY2025.

Geography-Wise Market Share (CY2025F)



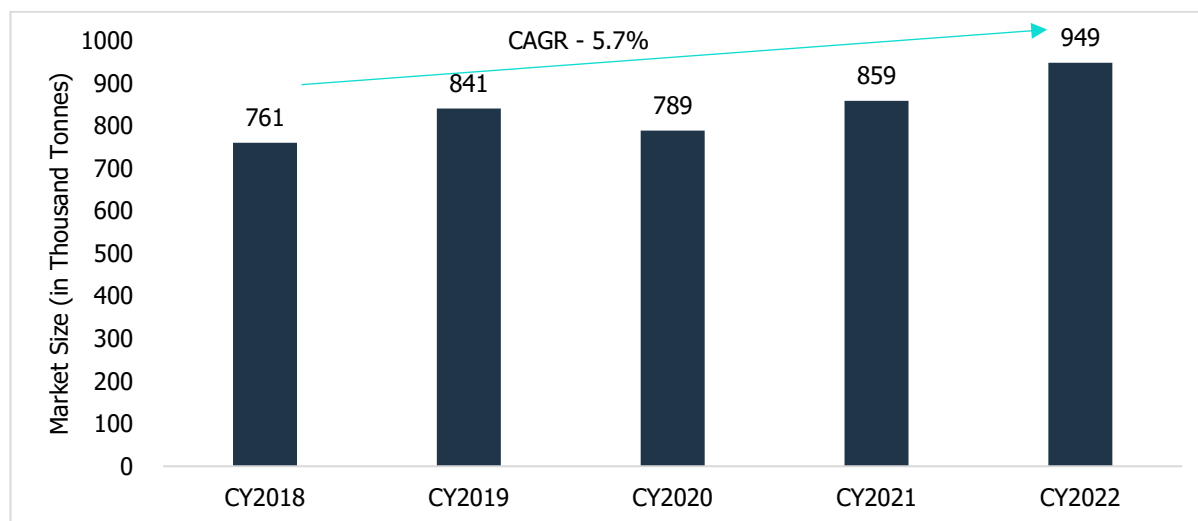
Source: Maia Research, XXX Research

Note: F - Forecasted

Indian Glycinate Industry

The Indian glycinate industry volumes grew at a CAGR of 5.7% from 761 thousand tonnes in CY2018 to 949 thousand tonnes in CY2022.

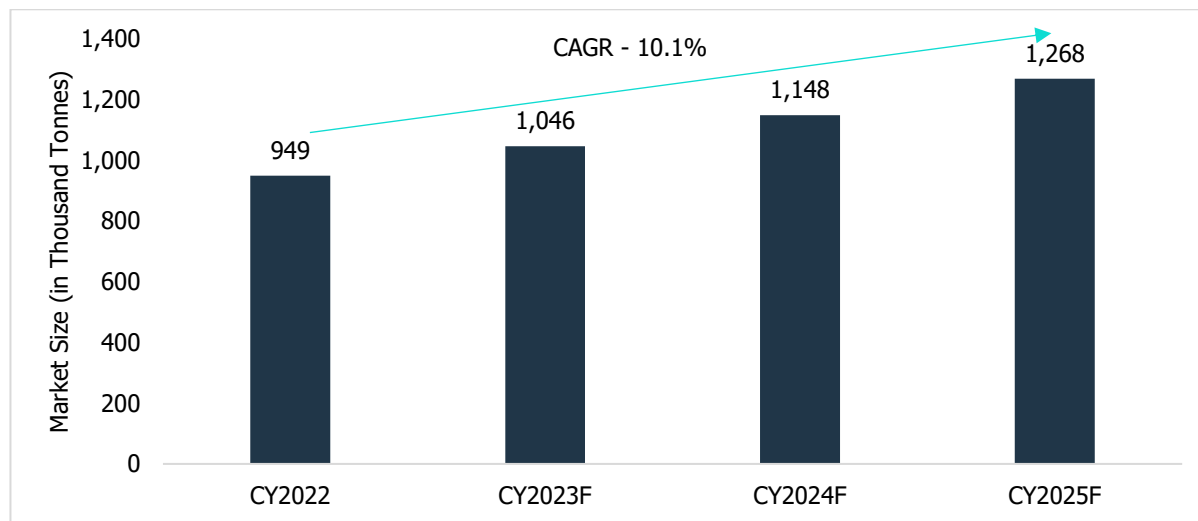
Indian Glycinate Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The Indian glycinate industry volumes are expected to grow from 949 thousand tonnes in CY2018 to 1,268 thousand tonnes in CY2025, at a CAGR of 10.1%.

Indian Glycinate Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F- Forecast

The Indian Glycinate industry grew from USD 5.8 million in CY2018 to USD 7.6 million in CY2022, implying a CAGR of 7.1%.

The Indian glycinate industry is expected to grow from USD 7.6 million in CY2022 to USD 10.3 million in CY2025, implying a CAGR of 10.5%, driven primarily by volume growth.

Global EDTA Derivatives Industry

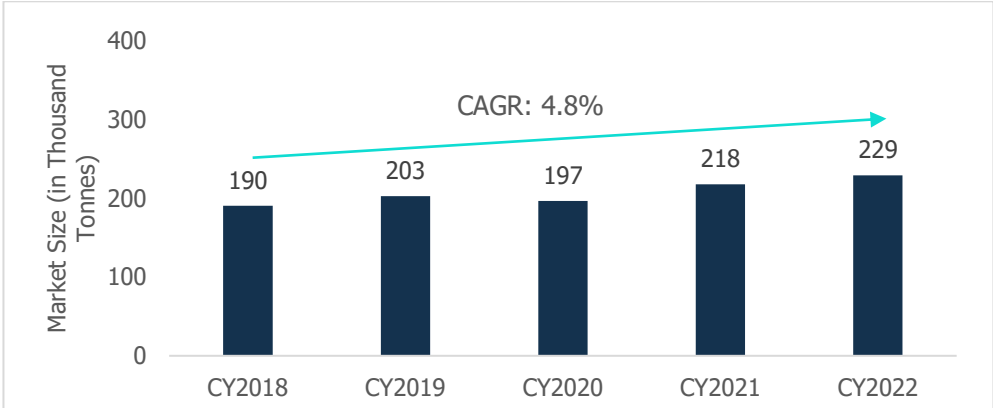
Ethylenediaminetetraacetic acid (EDTA) and its derivatives find use in various applications, including agriculture, pharmaceuticals, food and beverages, and personal care products. These chelating agents serve as essential ingredients for improving product stability

and performance. EDTA Derivatives includes Disodium EDTA, Calcium Disodium EDTA, Terasodium EDTA, etc. It Find its application in Reagents, Pharmaceuticals, Nutraceuticals, Industrial, Food, Veterinary, Biotechnology, Electronics, Metallurgy and Personal Care industry.

Global EDTA Derivatives Industry – Market Size

The global EDTA derivatives industry volumes have grown at a CAGR of 4.8% from 190 thousand tonnes in CY2018 to 229 thousand tonnes in CY2022.

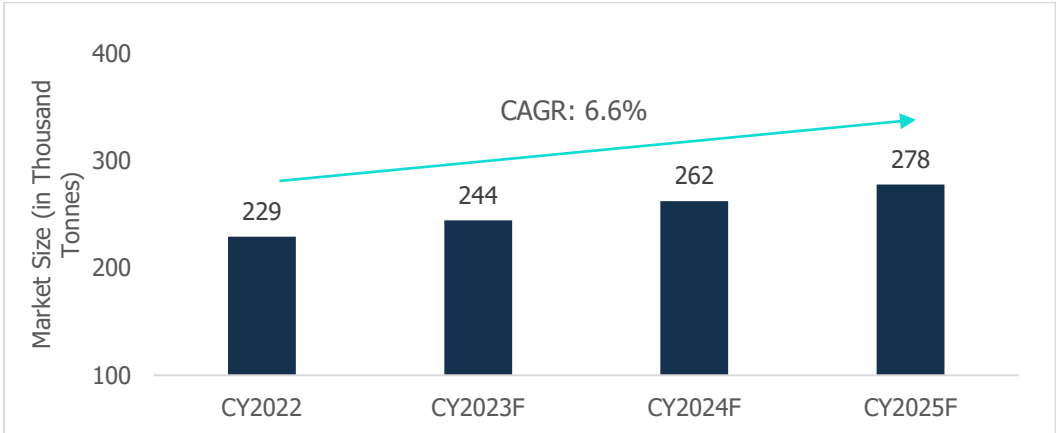
Global EDTA Derivatives Industry Volume (CY2018-2022)



Source: Maia Research, XXX Research

The volumes are expected to increase from 229 thousand tonnes in CY2022 to 278 thousand tonnes in CY2025, at a CAGR of 6.6%.

Global EDTA Derivatives Industry Volume (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The global EDTA derivatives industry has witnessed CAGR of 5.5% in value terms over past five years growing from USD 463 million in CY2018 to USD 573 million in CY2022.

The global EDTA derivatives industry is expected to grow from USD 573 million in CY2022 to reach USD 698 million by CY2025, representing a CAGR of 6.8%.

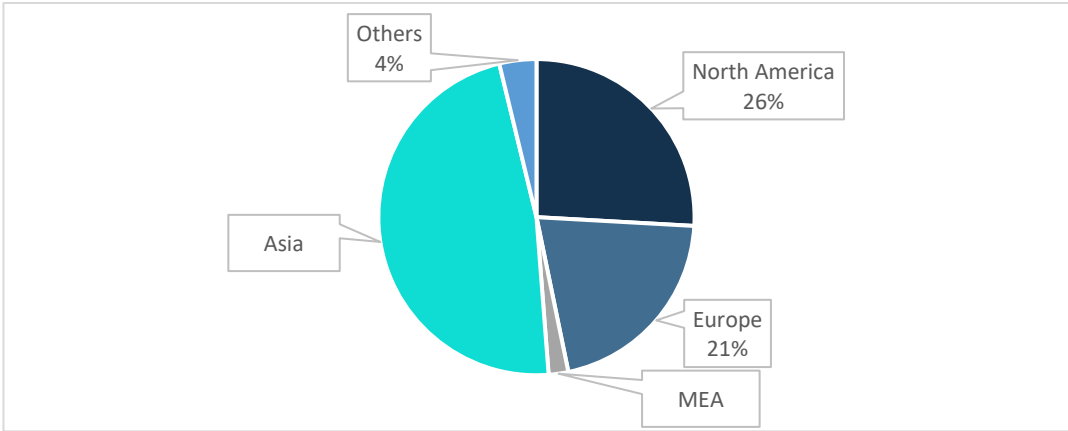
Break-Up of Global EDTA Derivatives Industry Value by Geography

Asia is the largest market of EDTA derivatives, accounting for 48% of the global market share in CY2022. The region’s consumption has grown at a CAGR of 5.8% from CY2018 to CY2022.

North America is the second-largest market for EDTA derivatives, with 25% of the global market share in CY2022. The region’s consumption has grown at a CAGR of 5.3% from CY2018 to CY2022.

The European region was the world's third-largest market for EDTA derivatives in CY2022, with a global market share of 21%. This region’s consumption has grown at a CAGR of 5.4% from CY2018 to CY2022.

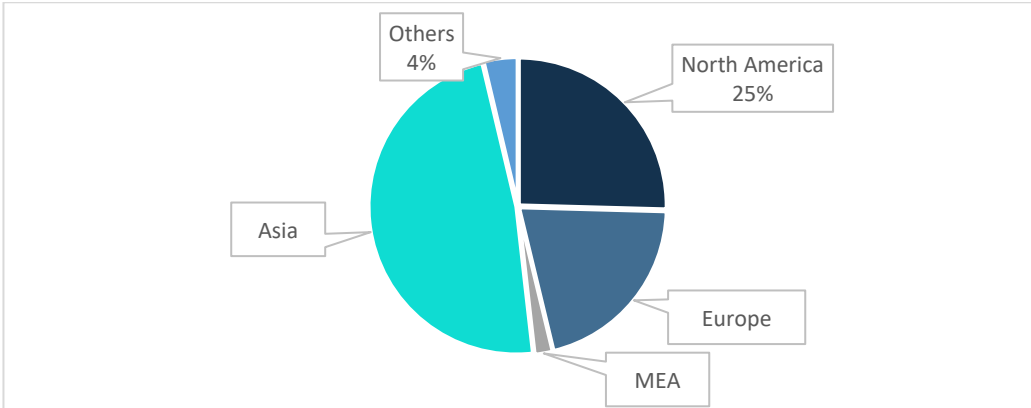
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

Asia is expected to remain the largest market for EDTA derivatives with an expected contribution of around 48% by CY2025.

Geography-Wise Market Share (CY2025F)

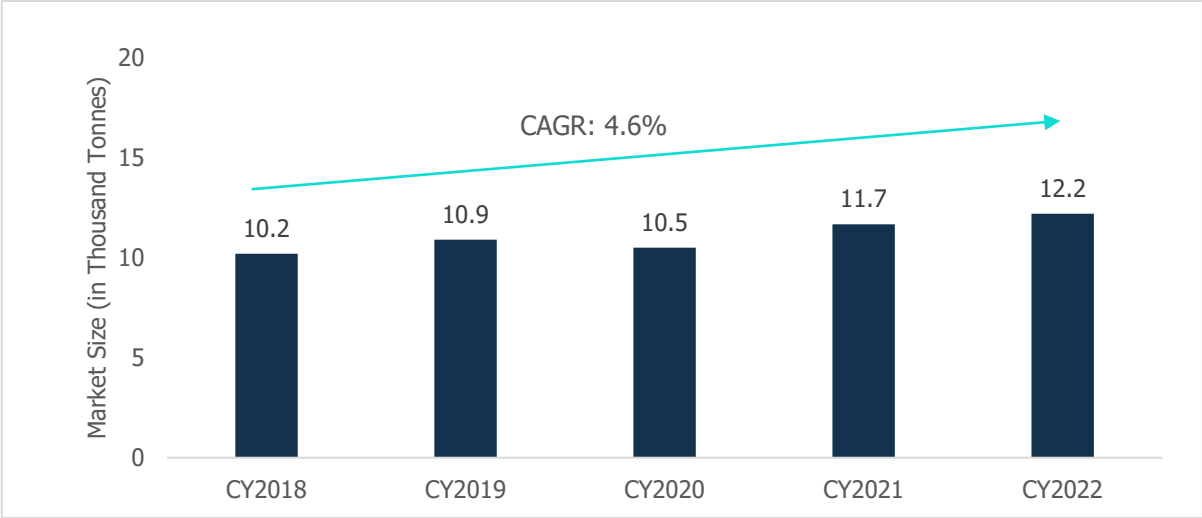


Source: Maia Research, XXX Research

Indian EDTA Derivatives Industry

The Indian EDTA derivative industry’s volumes have grown from 10.2 thousand tonnes in CY2018 to 12.2 thousand tonnes in CY2022, at a CAGR of 4.6%.

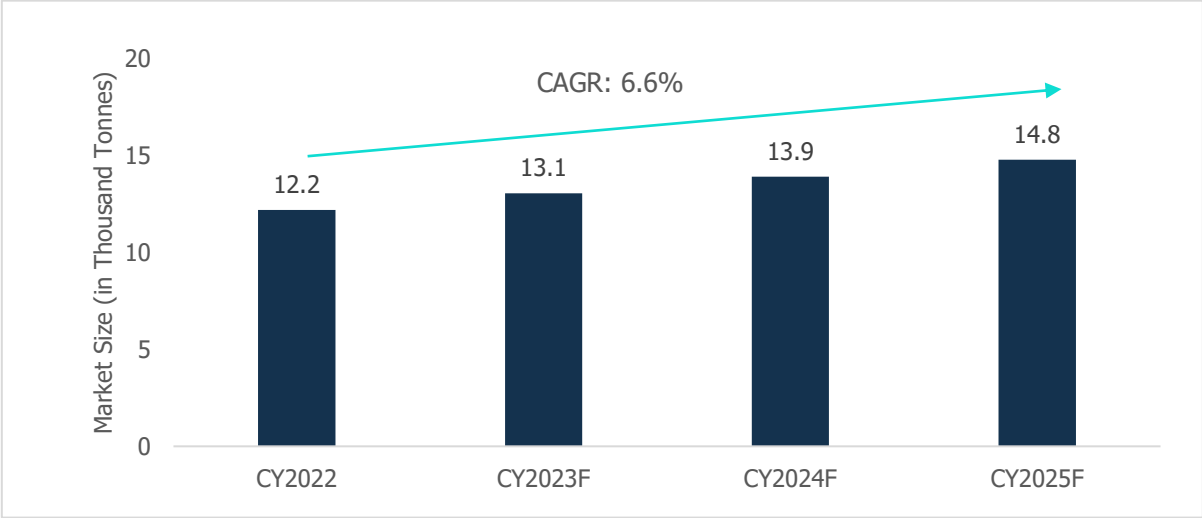
Indian EDTA Derivatives Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The Indian EDTA derivative industry’s volumes are expected to grow from 12.2 thousand tonnes in CY2022 to 14.8 thousand tonnes in CY2025, at a CAGR of 4.6%.

Indian EDTA Derivatives Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian EDTA derivatives industry has grown at a CAGR of 5.3% in value terms from USD 22 million in CY2018 to USD 27 million in CY2022.

The Indian EDTA derivatives industry is expected to experience a revenue growth from USD 27 million in CY2022 to USD 33 million in CY2025, at a CAGR of approximately 6.8%.

Global Succinates Industry

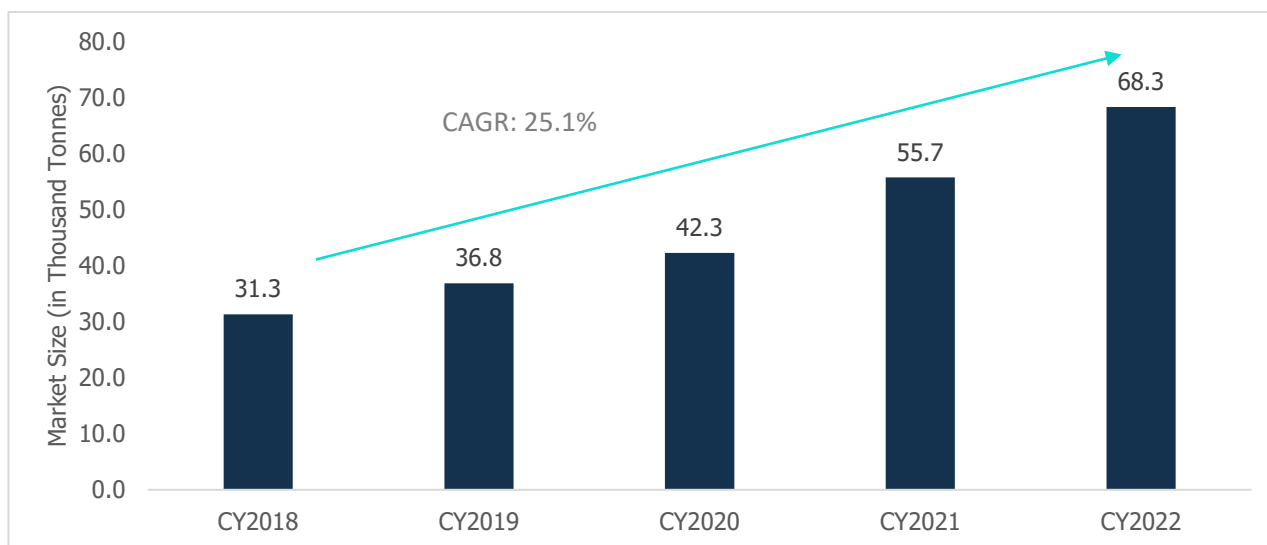
Succinates are salts or esters of succinic acid. Succinic acid is a dicarboxylic acid with the chemical formula $(\text{CH}_2)_2(\text{CO}_2\text{H})_2$. It is a white, odourless solid with a highly acidic taste. Succinates are commonly used in the pharmaceutical and food applications. They are also used as chemical intermediates and in the production of polymers, clothing fibres, plasticizers, solvents, paints, inks, food & feed additives, pharmaceuticals, perfumes, and an array of industrial and consumer products. Succinate includes Sodium Succinate, Potassium Succinate, Manganese Succinate, Zinc Succinate, Magnesium Succinate, etc. It finds its application in Pharmaceuticals, Reagent, Nutraceuticals, Food, Biotechnology and Personal Care industry.

(For further details refer Research Report on Speciality Fine Chemicals Industry issued by CareEdge)

Global Succinates Industry – Market Size

The global succinates industry volumes grew at a CAGR of 25.1% from 31.3 thousand tonnes in CY2018 to 68.3 thousand tonnes in CY2022.

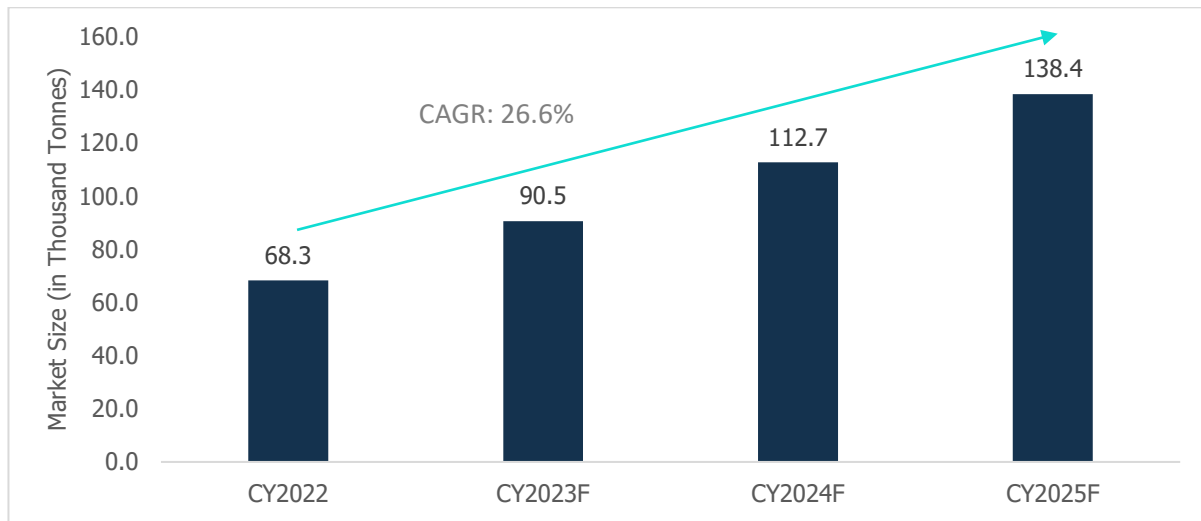
Global Succinates Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

The global succinates industry volumes are expected to grow from 68.3 thousand tonnes in CY2022 to 138.4 thousand tonnes in CY2025, at a CAGR of 26.6%.

Global Succinates Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The global succinates market size grew at a CAGR of 25.4% in value terms from USD 58 million in CY2018 to USD 144 million in CY2022.

The global succinates industry is expected to grow at a CAGR of 24.6% during CY2022-CY2025 to reach USD 278 million by CY2025.

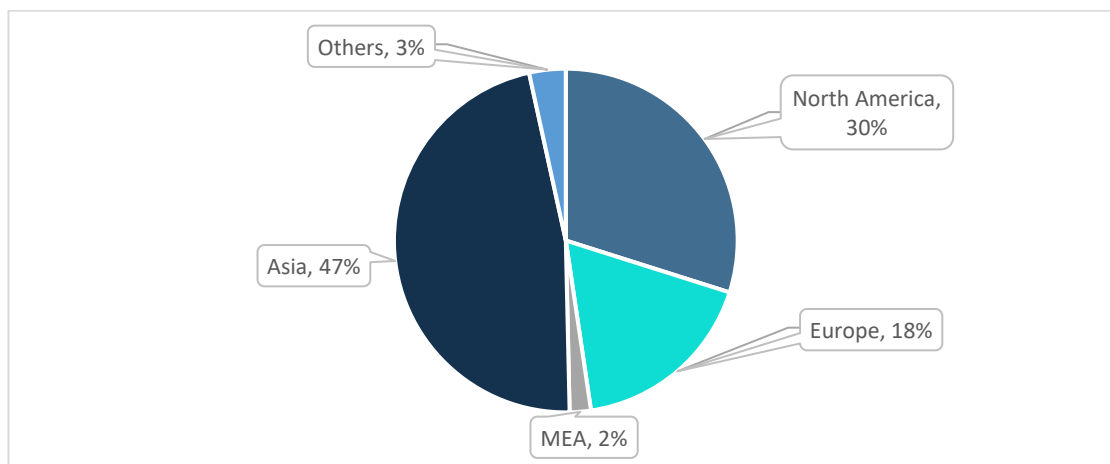
Break-Up of Global Succinate Industry Value by Geography

Asia is the largest-consuming market for succinates accounting for 47% of global consumption in value terms in CY2022. The consumption of this region has grown at a CAGR of 25.8% over the past 5 years (CY2018-22).

North America is the second-largest consuming market with a share of 30% in CY2022. The consumption of succinates in North America has projected a CAGR of 25.2% over CY2018-22.

Europe is the third-largest succinates consuming market with a share of 18% in CY2022. The consumption in this region has grown at a CAGR of 24.9% in the past five years.

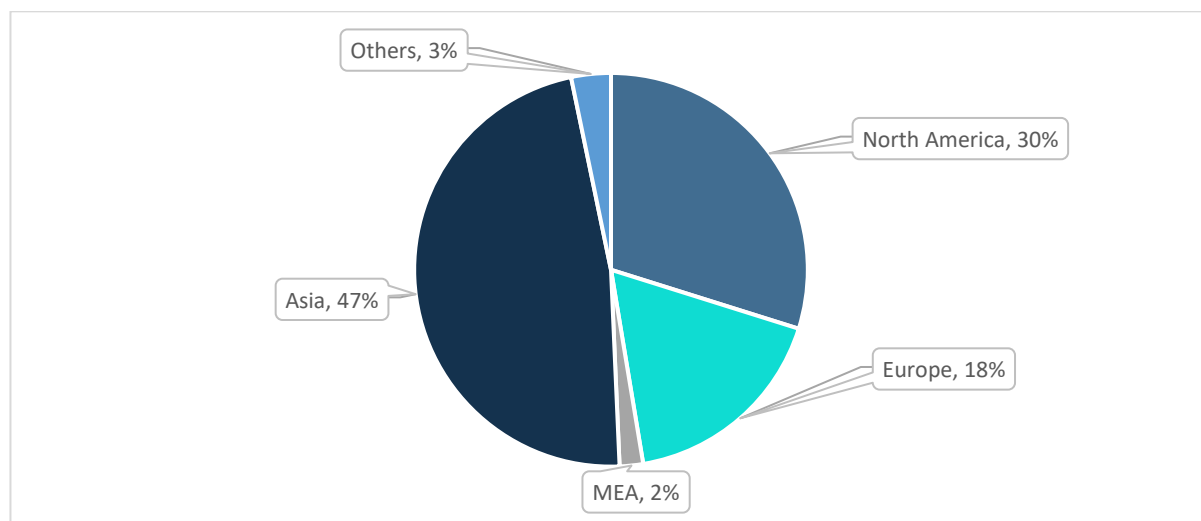
Geography-Wise Market Share (CY2022)



Source: Maia Research, XXX Research

Asia is expected to remain the largest-consuming market in the global succinates industry, with an expected market share of 47% in CY2025, followed by North America and Europe.

Geography-Wise Market Share (CY2025F)

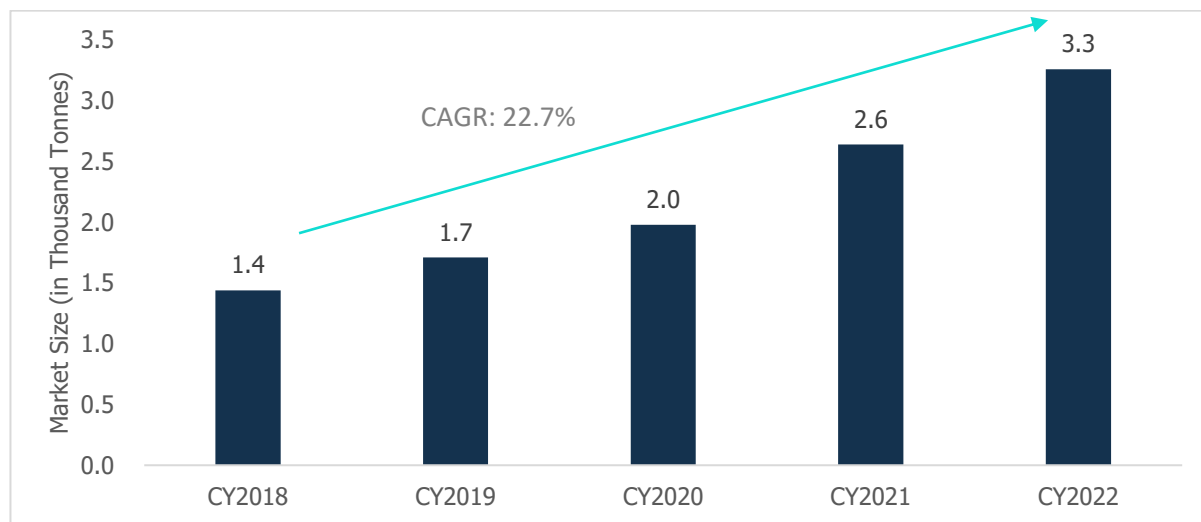


Source: Maia Research, XXX Research

Indian Succinates Industry

Indian succinates industry volumes grew at a CAGR of 22.7% from 1.4 thousand tonnes in CY2018 to 3.3 thousand tonnes in CY2022.

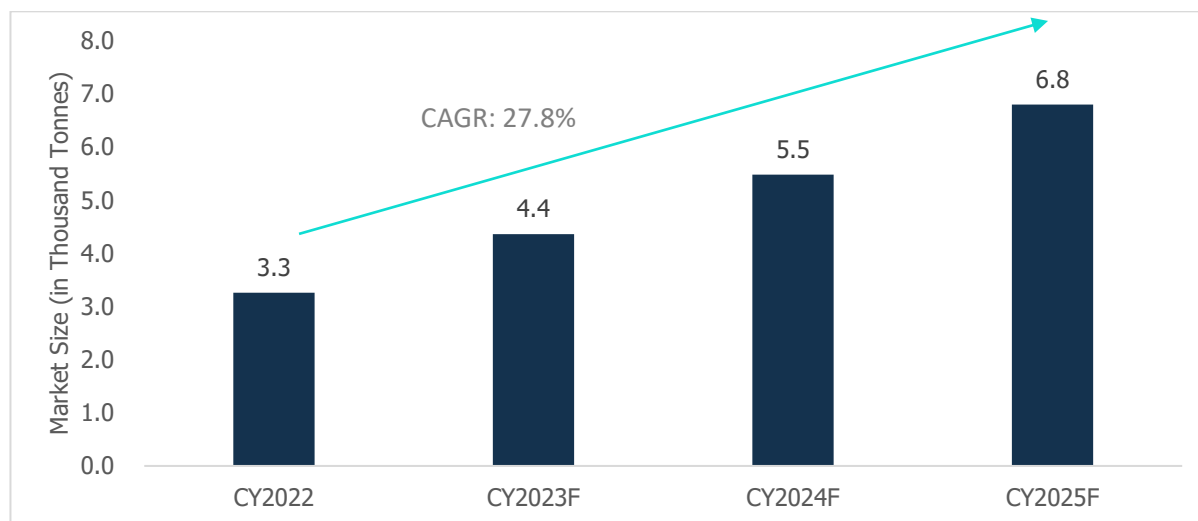
Indian Succinates Industry Volumes (CY2018-2022)



Source: Maia Research, XXX Research

Indian succinates industry volumes are expected to grow from 3.3 thousand tonnes in CY2022 to 6.8 thousand tonnes in CY2025, at a CAGR of 27.8%.

Indian Succinates Industry Volumes (CY2022-2025F)



Source: Maia Research, XXX Research

Note: F: Forecast

The Indian succinates industry has grown at a CAGR of 26.6% in value terms over the past five years from USD 2.5 million in CY2018 to USD 6.3 million in CY2022.

The Indian succinates industry is expected to double from USD 6.3 million in CY2022 to USD 12.6 million in CY2025, implying a CAGR of 25.9%.

Growth Drivers – Global Industry

The global consumption of the chemicals mentioned in earlier sections will be driven by the growth in the following industries:

Agriculture

The global agriculture industry has witnessed substantial growth, propelled by several key factors. The increasing global population has fueled the demand for agricultural products. Whereas the rising income levels have led to diverse dietary preferences, boosting the demand for meat products and processed foods. While technological advancements, including precision agriculture and biotechnology, have enhanced productivity and sustainability.

Further, investments in research and development have helped address challenges like climate change, fostering innovations and sustainability in agriculture. Integration of agriculture with food processing and retail sectors has also created value and job opportunities. Such factors will continue to contribute to the expansion of global agricultural output.

Pharma

The global pharmaceutical industry has seen remarkable growth due to the growing demand for healthcare services and pharmaceutical products. Particularly the emerging markets with expanding middle-class populations have played a significant role in the industry's growth. Whereas pharmaceutical companies' substantial investments in research and development (R&D) are fueling ongoing innovation and growth.

Additionally, shifting healthcare reimbursement models toward value-based approaches encourages the development of innovative and cost-effective solutions, further boosting industry growth. Moreover, expanding to emerging markets and strategic partnerships with academic institutions and technology companies create new opportunities, accelerating drug developments and commercialization efforts. Such factors will collectively drive the global pharmaceutical industry's upward trajectory.

Active Pharmaceutical Ingredients (API)

The global active pharmaceutical ingredients (API) industry is poised to grow in the coming years driven by the thriving pharmaceutical industry. Further, the emergence of various infectious and chronic disorders is expected to drive demand for APIs for the development of drugs. Further, the rising healthcare penetration in developing countries alongside the increasing income levels, higher per capita healthcare expenditure, and growing government healthcare programmes will augment the demand for APIs.

Nutraceutical/Dietary Supplements

Over the last few years, there has been a notable increase in the usage of nutraceutical and dietary supplements globally. This is attributed to the increasing ageing population, the rising incidence of chronic illnesses and obesity, and the growing appeal of a healthy lifestyle.

Obesity is a major public health challenge globally. It is a major risk factor for a number of chronic diseases. The causes of obesity are complex but are primarily due to an imbalance between energy intake and energy expenditure. This imbalance can be caused by a number of factors, such as unhealthy diets, physical inactivity, genetics, etc. Whereas there are a number of factors contributing to unhealthy lifestyles such as long working hours, sedentary jobs, stress, and unhealthy food choices.

Accordingly, the potential health advantages of dietary supplements and nutraceuticals, such as enhanced immunity, lowered risk of chronic illnesses, and higher energy levels, are becoming more and more known to consumers. Such factors, coupled with rising awareness and affordability, will continue to drive the global demand for nutraceuticals.

Food and Beverages

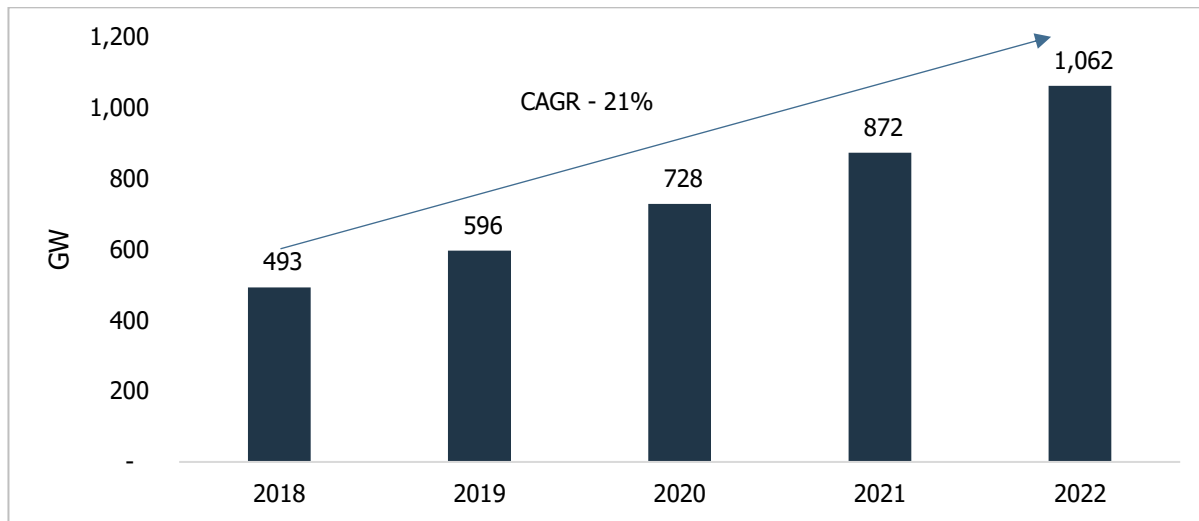
The global food and beverages industry is poised for significant growth driven by the rising global population, the increasing urbanization, and the higher demand for convenient & diverse food options. This demographic shift is fueling the need for more food production and distribution, creating opportunities for food & beverage companies to expand their market reach. Additionally, changing consumer preferences toward healthier, more organic, and more sustainable food choices are prompting industry players to innovate and cater to these demands, further driving growth.

Moreover, the globalization of food trade and the ease of international transportation have opened up new markets and opportunities for food & beverage companies. This is facilitated by trade agreements and technologies that enable efficient supply chains. As consumers become more open to trying international cuisines and products, food & beverage companies can tap into diverse markets and consumer segments, contributing to industry growth. Overall, the food and beverages industry's growth is influenced by population trends, changing consumer preferences, and increased global trade and connectivity.

Solar Power

Solar PV capacity additions expanded at a CAGR of 21% from 483 GW in 2018 to 1,062 GW in 2022. Photovoltaics (PV) has become the most cost-effective choice for energy generation in many nations, particularly those with abundant natural resources and low-cost financing. As a result, businesses are increasingly opting for bilateral agreements with large-scale solar photovoltaic plants to meet their energy needs. PV capacity is also growing due to continued policy support from governments around the world.

World Solar PV Installed Capacity



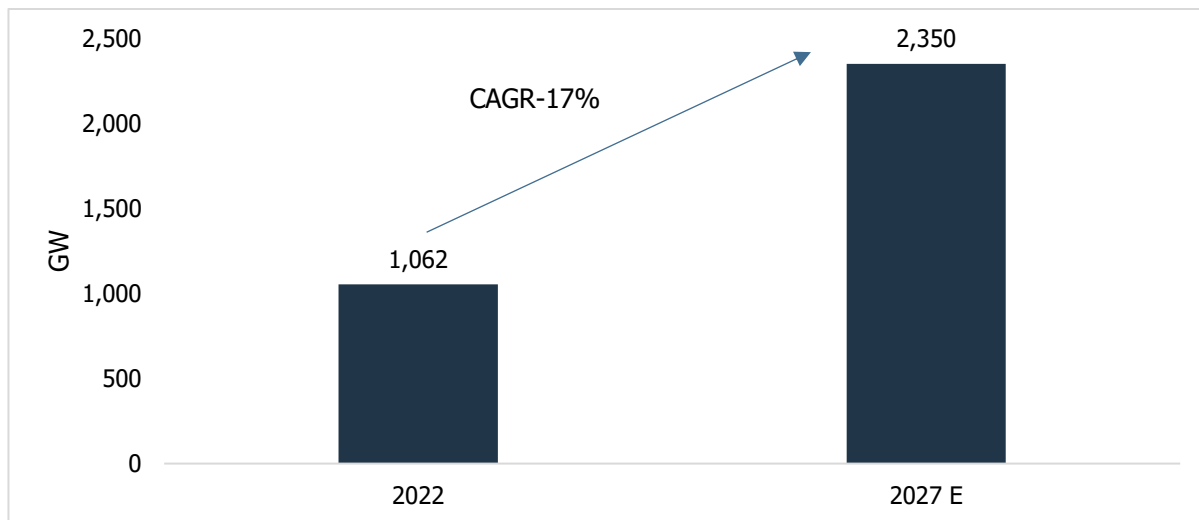
Source: International Renewable Energy Agency (IRENA) Renewable Energy Statistics 2023

Furthermore, the global solar capacity additions are expected to increase significantly over the next five years, propelled by various governments' thrust on reduction in carbon emissions to achieve the targets committed under the Paris Agreement and the UN Climate Change Conference in Glasgow (COP26). Similarly, many governments have implemented policies and initiatives to promote the development of solar energy such as tax credits, subsidies, renewable energy targets, etc.

Moreover, the corporate consumers are becoming increasingly environmentally conscious, thereby increasing the procurement of renewable energy. The capacity additions will be supported by the falling cost of modules which have improved the project economics and minimized funding requirements.

Such factors are expected to increase the global solar capacity by three times over 2022-2027 to 2,350 GW.

Solar PV Capacity Growth, 2022-2027



Source: International Renewable Energy Agency (IRENA), International Energy Agency (IEA)

Agrochemicals

The global agrochemicals industry is expected to witness stable growth in the medium-long term. The current global population is around 8 billion and is expected to reach 9 billion by 2037 as per the United Nations. The constantly growing population is leading to a growing demand for food, which, in turn, will drive the consumption of agrochemicals. Further, increasing requirements for crop

protection and productivity-enhancing materials will also lead to higher consumption of agrochemicals. As farmers worldwide increasingly use modern farming techniques, agrochemicals will play a key role in ensuring desired yields.

Biotechnology

Under biotechnology, molecular biology developments are extended to applications for human and animal health, agriculture, the environment, and specialty chemical manufacturing. As biotechnology is a critical industry targeted toward various applications, factors such as increasing incidence of diseases, stressful lifestyles, rising expenditure on research and development, supportive government policies, etc., will drive the growth of the global biotechnology industry in the coming years.

Personal Care

Beauty and personal care continues to be one of the well-performing industries globally and is expected to continue its growth trajectory driven by rising population, growing per capita and disposable income, increasing awareness, growing penetration and availability of personal care products in emerging markets, etc.

Further, personal care product consumption is expected to be driven by new product lines such as male grooming and natural & organic products and an increasing focus on hygiene and appearance. The e-commerce platforms are also acting as significant enablers for the growth in personal care consumption due to the convenience of doorstep delivery, availability of a vast range of products, and competitive pricing.

Animal Health

Animal health products are targeted toward the overall well-being of animals, including preventive healthcare, vaccinations, nutritional supplements, etc. The animal health market will be mainly driven by the rising demand for meat and growing pet ownership.

Further, there has been a significant rise in preventive health care for both pets and livestock to reduce the risk of diseases in future. Accordingly, there is a growing demand for animal health products including vaccinations, nutritional supplements, parasiticides, etc. Further, the technological advancements and R&D in pharmaceuticals and biotechnology focused on animal health are boosting the consumption of animal health products.

Moreover, the pet care market growth is expected to remain healthy driven by increasing focus on the well-being of the pet animals coupled with rising per capita income, which has further enabled pet owners to spend larger amounts on pet healthcare. The pet care market has also seen the advent of new product lines, further contributing to the market growth.

Metallurgy

The global metallurgy market is expected to be driven by increased infrastructure construction and real estate development across countries and the thriving auto industry, which will add to the demand for steel, aluminium, and other metals.

Further, the growing infrastructure construction will be driven by roads, railways, electricity & power, water and sewerage, and airports and other infrastructure. Governments across the globe are increasingly focusing on infrastructure sectors to fuel the domestic economy and become more competitive, which will lead to growth in demand for key metals. The global automobile industry is also expected to exhibit steady growth in the long term despite near-term headwinds due to inflationary trends.

Scientific and Laboratory Research

The continuous innovation in technology such as artificial intelligence (AI), machine learning, and automation has paved the way to revolutionize scientific research. These advancements have increased the efficiency, accuracy, data analysis, and speed of experiments, which has led to significant growth in research capabilities. Whereas the increased demand for healthcare solutions drives research in areas such as medical devices, pharmaceuticals, biotechnology, and personalized medicine.

The continuous innovation in chemical processes has fueled research within the chemical industry and advanced laboratory research is focused on developing new materials, enhancing the properties of chemicals for usage in diverse applications as well as improving manufacturing processes. Also, the demand for chemical research is increasing as there is a growing demand for specialty chemicals used in industries like pharmaceuticals, personal care products, agrochemicals, electronics, etc. Therefore, research in laboratories aims to create high-value specialized chemicals with unique properties, which will help in catering the specific industry needs.

Electronics

The global consumer electronics industry is expected to maintain its growth trajectory fueled by rising disposable income levels, increasing digitization in underpenetrated areas, automation, and rising purchases and replacements of personal electronics devices such as smartphones, laptops etc. The electronics industry saw a rise in demand for devices such as home entertainment and devices to enable remote working during COVID-19. This trend is likely to continue given the revolving hybrid work models. Further, the frequent introduction of new models and upgrades by electronics manufacturers also augurs well for global electronics demand.

Precision Industrial Products

The precision parts market encompasses valves, gears, bearings, connectors, shafts and customized components, which are tailored to specific industry requirements. Industries such as aerospace, automotive, and electronics require components possessing exceptional precision and quality to ensure optimal performance and safety. Therefore, the increasing focus on precision engineering has driven the demand for precision parts globally. Since industries across the globe are embracing automation to enhance productivity and minimize human errors, precision parts are essential components in automated systems, which aids in driving the demand for advanced and reliable components. Moreover, with the growing demand for miniaturized products across industries, there is a need for precision parts, which can fit into compact devices without compromising performance or functionality.

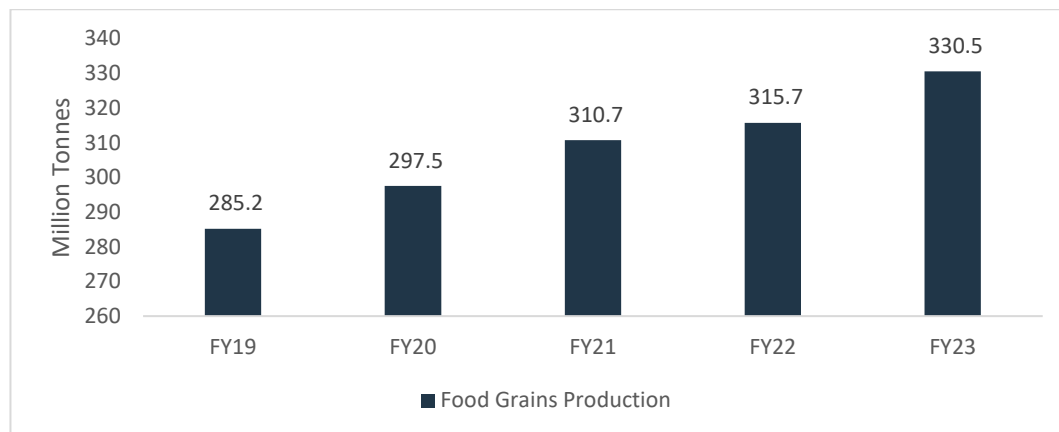
Growth Drivers – Indian Industry

The domestic consumption of the chemicals mentioned in earlier sections will be driven by the growth in the following industries:

Agriculture

Food grain production in India has been on the rise. India has witnessed a remarkable surge in the production levels of several key crops, such as rice, wheat, maize, cereals, and lentils. For instance, it has risen from 285.2 MT in FY19 to 330.5 MT in FY23.

Past Trend in Food Grains Production in India



Source: Department of Agriculture and Farmers Welfare, Press Information Bureau

This is accredited to the continually increasing area under cultivation and supplemented by the government's focus on agro-ecological crop planning, diversification from rice and wheat to oilseeds and pulses, and increase in Minimum Support Prices (MSPs), among others.

Further, the agricultural output of the country is expected to continue its upward trajectory in the medium-long term, driven by the adoption of technologies to improve crop yields such as soil mapping software, geo-location of crop disease, use of drones, hydroponics, etc. The government support for the sector is also expected to continue. The thrust on increasing agricultural output will thus lead to increased demand for pesticides and agrochemicals.

Pharma

The Indian pharmaceutical industry has demonstrated a CAGR of approximately 8% from FY17 to FY23, resulting in a market size of approximately USD 50 billion. This growth is attributed to an 8% CAGR in domestic consumption and a 7% CAGR in exports during the same timeframe.

The domestic demand for pharmaceuticals will be driven by enhanced access to healthcare facilities and the rising per capita income. Further, exports are expected to grow on account of the increasing entry of pharmaceutical firms into untapped markets despite recessionary winds in the developed markets.

The outlook for the exports is healthy driven by increasing demand within both regulated and emerging pharmaceutical markets and the impending expiration of patents on certain drugs. Moreover, India has signed trade agreements with various countries like Australia and the United Arab Emirates (UAE). UAE is a gateway to exports to the Gulf Cooperation Council (GCC) and African regions, further expanding the reach of Indian drugs. Post the agreement with Australia, the approvals for patented, generic, and biosimilars will be fast-tracked and there will be duty-free access to India's pharmaceuticals. Additionally, the exports are likely to increase, given the production-linked incentive (PLI) for pharmaceuticals announced by the government.

Driven by the above factors, the Indian pharmaceutical market is expected to grow to a market size of approximately USD 57 billion by FY25.

Active Pharmaceutical Ingredient (API)

The active pharmaceutical ingredient (API) segment is pivotal in the pharmaceutical industry, constituting approximately 35% of the market. APIs are biologically active components of drugs responsible for their intended medical effects. India, the third-largest global API producer, commands an 8% share and manufactures 500+ different APIs, contributing 57% to the WHO prequalified list. With a projected CAGR of 13.7% over the next four years as per Invest India, the Indian API market is expected to benefit from a robust domestic market, advanced chemical industry, skilled workforce, and competitive operational costs.

Nutraceutical/ Dietary Supplements

The Indian dietary supplements consumption has grown significantly in the past few years. This is attributable to sedentary & stressful lifestyles, difficulty in maintaining balanced diets due to hectic schedules, deteriorating soil quality, increasing consumption of junk food, etc. Accordingly, the increasing awareness of the benefits of dietary supplements and the penetration of healthcare facilities have led to the emergence of this trend. Furthermore, post-COVID-19, many people have also resorted to consumption of dietary supplements as a preventive measure.

Overall, the consumption of dietary supplements is expected to continue its growth trajectory in India, driven by an expanding consumer base and increasing affordability due to growth in per capita income.

Food and Beverages

Domestic food & beverage consumption is on the rise, driven by the rising population, the increasing per capita income, and consumer spending. The Indian F&B industry is expected to witness robust growth in the near-medium term supplemented by a young population, rising consumer spending, growing penetration of restaurants, Quick Service Restaurants (QSRs) in Tier 2 and Tier 3 cities, and the advent of user-friendly delivery apps and tech-enabled networks. Furthermore, the increasing tendency to dine out in India's cities among all economic classes, and not restricting dining out to special occasions, will further support the industry.

Moreover, India is becoming a leading sourcing hub for processed food led by a strong agricultural sector, availability of life-stock, and low-cost structure. These factors are expected to boost exports of processed food.

Construction

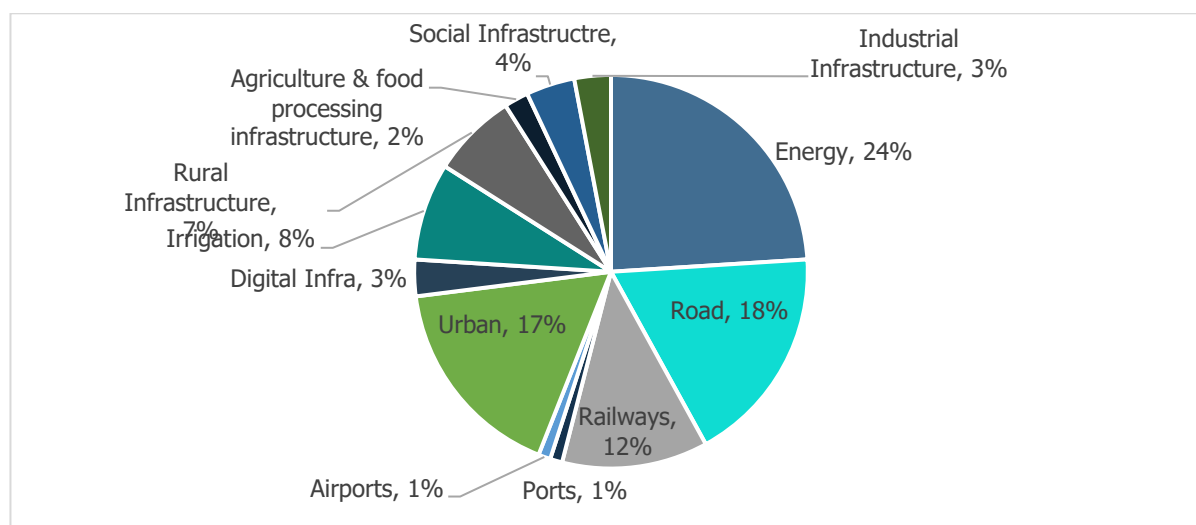
The construction sector in India is expected to witness robust growth driven by the following factors:

Continued Government Spending - Over the long term, the outlook for the construction sector is favourable, supported by continued government spending on infrastructure. Before the onset of the pandemic, the GoI had unveiled the National Infrastructure Policy (NIP) covering various sectors and regions indicating that it is relying on an ‘infrastructure creation’ led revival of the country’s economy. The NIP which covered rural and urban infrastructure entailed investments to the tune of Rs. 111 Trillion to be undertaken by the Central Government, State Governments and the private sector during FY20-25.

In order to achieve the GDP of USD 5 trillion by FY25, India needs to spend about USD 1.4 trillion over these years on infrastructure.

During FYs 2008-17, India invested about USD 1.1 trillion on infrastructure. However, the challenge is to step up infrastructure investment substantially. Keeping this objective in view, NIP was launched with projected infrastructure investment of around ₹111 Trillion (USD 1.5 trillion) during FY 2020-2025 to provide world-class infrastructure across the country, and improve the quality of life for all citizens. It also envisages to improve project preparation and attract investment, both domestic and foreign in infrastructure. NIP was launched with 6,835 projects, which has expanded to over 9,000 projects covering 34 infrastructure sub-sectors.

Sector-wise break-up of capital expenditure of Rs. 111 Trillion during FY2020-25



Source: NIP

During the fiscals 2020 to 2025, sectors such as energy (24%), roads (18%), urban (17%), and railways (12%) amount to around 70% of the projected capital expenditure in infrastructure in India. NIP has involved all the stakeholders for a coordinated approach to infrastructure creation in India to boost short-term as well as the potential GDP growth.

Further, the number of projects and the total cost as per NIP for different sectors are as follows:

Sector-wise Projects and Cost Under NIP

Sector	No. of projects	Value of projects (USD Billion)
Roads & bridges	3,595	396.23
Railways	752	243.99
Power (Generation, Transmission & Distribution)	697	364.27
Real Estate	630	225.09
Waste and Water	940	119.67
Urban public transport (Metro, bus terminal, road/traffic infra etc)	216	98.39

Source: NIP

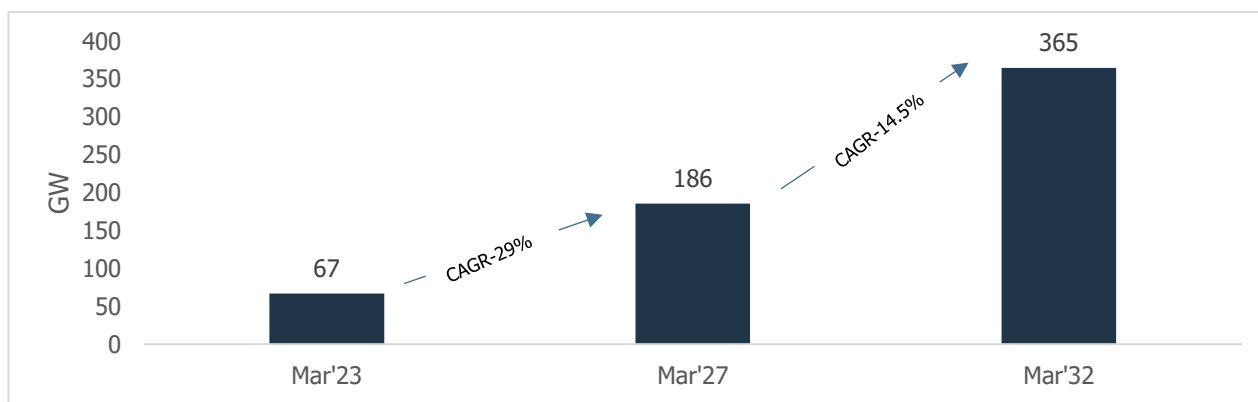
- **Growth in Road Construction** - Road construction in India is expected to grow with new funding mechanisms by NHAI, such as ToT (Toll Operate Transfer) and InvITs (Infrastructure Investment Trust) and interest from international funds (both for equity as well as debt).
- **Strengthening Real Estate Developments** - Real Estate has the potential to catapult India to the third-largest construction market globally. The sector is expected to contribute 15% to the Indian economy by 2030. The recent policy reforms such as the Real Estate Act, GST, and REITs are steps to reduce approval delays. These reforms will strengthen the real estate and construction sectors.
- **Development in Railways** - The Indian government is taking several initiatives to upgrade the ageing railway infrastructure and its quality of service. The upgrades include 100% electrification of railways, upgrading existing lines with more facilities and higher speeds, expansion of new lines, upgrading railway stations, introducing and eventually developing a large high-speed train network interconnecting major cities in different parts of India, and development of various dedicated freight corridors to cut down cargo costs within the country. Such developments augur well for the construction segment growth.

Solar Power

India has a solar potential of 749 GW with an installed capacity of 72 GW as of September 2023. The installed capacity is only around 9% of the potential, indicating a significant untapped potential.

Further, there has been a substantial increase in the installed solar power capacity because of the government’s push in a bid to achieve COP26 targets². The pace of bidding has also remained strong. For instance, the Ministry of New & Renewable Energy (MNRE) has announced plans to invite bids for 50 GW of renewable energy capacity annually from FY24 to FY28 with an objective to achieve the targeted 500 GW installed capacity by 2030. On the other hand, the domestic production of solar modules is expected to increase, driven by government initiatives such as the PLI scheme, which will further lower the dependence on imports for critical components, thereby addressing supply chain challenges and reducing the capital cost of solar power projects. Moreover, as per the National Electricity Plan Vol-1 (March 2023), 186 GW of installed solar power capacity is expected to be achieved by FY27 and 365 GW by FY32. This represents an investment opportunity of Rs. 6.81 trillion FY23-27 and Rs. 7.97 trillion between FY28-32.

Solar Power – Trend in Future Installed Capacity Additions



Source: National Electricity Plan Vol-1 (March 2023), XXX Research

In line with the above-mentioned increase in capacity and investments, the demand for modules, which account for 55%-60% of the setting up costs of solar power plants, is also expected to increase considerably.

Inorganic Chemicals

²The COP 26 target by Government of India states that by 2030, the non-fossil fuel energy capacity would be 500 GW, and 50% of the energy requirement would be fulfilled by renewable sources. Also, the aim is to reduce the carbon intensity of the economy by 45% and reduce the total projected carbon emission by 1 billion tonnes.

The Indian chemical industry witnessed stable growth in the past decade and the future growth potential is evaluated to be healthy. The upward momentum in demand for inorganic chemicals is estimated to remain healthy backed by low per capita consumption of chemicals (including agrochemicals), rising demand for specialty chemicals, and projected growth in downstream sectors like colours, paints, pigments, coatings, pharma, textiles, personal care, and growth in diversified manufacturing base. Further, the growing population, rising urbanization, and enhanced disposable incomes will aid the growth momentum.

In the coming years, India is expected to grow as both, a manufacturing capital for valued goods and a consumer-driven economy with a broader perspective. The industry is likely to benefit from improved investments, speedy approval of projects, and proposed reform measures that would translate into higher industrial activity, and in turn, higher demand for chemicals. Moreover, the growing research & development (R&D) investments are estimated to contribute to the inorganic chemicals market growth in the near-to-medium term.

Furthermore, the government has included this sector as a priority sector under the ambitious 'Make in India' initiative of the government. 'Make in India' has played a pivotal role in driving some of the key initiatives to stimulate growth in the chemicals industry (organic and inorganic). The government has already taken some crucial steps to create favourable conditions, in terms of policies and infrastructure, to attract global and domestic investments in the Indian chemicals industry. The results of such initiatives can be seen in the increasing interest displayed by major companies to expand their business in this sector.

Despite a reasonable export presence, the Indian chemical industry is significantly lagging compared to its Asian counterparts. The country's chemical industry represents only around 3% of the global chemicals industry despite its significant contribution to India's GDP.

However, there is rising adoption of the China-Plus-One strategy globally, where companies are minimizing their dependency on China and are diversifying their production and supply chains to other countries to minimize the risk of supply chain disruptions witnessed in China during the pandemic. Further, the changing regulatory and policy landscape in China has also prompted global companies to diversify supply risks.

Indian manufacturers are expected to be key beneficiaries of this as very few countries other than India have the requisite scale, skilled labour availability, government support, etc., to cater to the large-scale requirements. Further, as global companies look to enhance supply chain resilience by diversifying manufacturing into other countries, India is expected to be an attractive option owing to its strategic location, large domestic market and skilled manpower.

In order to be competitive at a global level, India will have to address the key issues of inadequate infrastructure and lack of availability of low-cost feedstock for production. Moreover, the industry can leverage new technologies and explore alternative feedstock options such as coal gasification, syngas, and pet coke to mitigate the issue of feedstock availability in the sector.

Agrochemicals

The Indian agrochemicals sector is expected to face near-term challenges including high channel inventory, declining input prices, increased supplies from China, and uncertain weather conditions due to El Nino. These factors are expected to contribute to a potential drop in revenue in FY24. Falling global prices, muted demand for exports, and lower reservoir levels impacting rabi sowing are key reasons for this decline. Additionally, volume growth within India is anticipated to be in the low single digits due to high inventories. The sector needs to closely monitor market dynamics, weather conditions, and global pricing trends to navigate these challenges effectively.

Despite these short-term challenges, the long-term outlook for India's agrochemicals sector remains positive. The sector is supported by strong domestic demand, improving export opportunities through the China + policy, potential for backward integration, competitive cost structures, and ongoing capital expenditures by Indian companies. As the challenges are addressed, the sector is poised to benefit from sustained growth driven by evolving market dynamics, innovation, and the essential role it plays in supporting agriculture and food security.

Biotechnology

India's biotech industry is experiencing robust growth, driven by its strategic focus on biopharmaceuticals and agricultural biotechnology. In the field of biopharmaceuticals, the country has made significant strides in research, development, and manufacturing, positioning itself as a key player on the global stage. The emphasis on agricultural biotechnology further amplifies India's role in addressing food security challenges and enhancing crop yields through innovative biotechnological solutions.

Additionally, India has emerged as a global hub for Contract Research and Manufacturing Services (CRAMS) in the biotech sector. This reflects the industry's capability to provide comprehensive services, from research collaboration to manufacturing, making it an attractive destination for international partnerships and investments. The flourishing biotech landscape underscores India's commitment to advancing scientific innovation and contributing to global healthcare and agriculture.

Personal Care

The Indian personal care market is experiencing significant growth driven by two key factors, rising disposable income and urbanization. As more consumers in urban areas experience an increase in income, there is a corresponding surge in their purchasing power and a growing inclination toward personal care products.

Furthermore, the trend toward natural and organic products is becoming increasingly prominent in the market. Consumers are showing a heightened awareness of the benefits associated with using natural ingredients in personal care items, contributing to the popularity of such products in the overall market landscape. This shift underscores a broader consumer preference for healthier and environmentally conscious choices in the personal care sector.

Animal Health

India's animal health market is witnessing robust growth, propelled by two primary factors, the steady rise in pet ownership and a dedicated emphasis on enhancing animal healthcare within both the pet care and livestock sectors. The increasing number of households adopting pets and the growing awareness of the importance of proper healthcare for animals have spurred a surge in demand for veterinary products and services.

Simultaneously, the livestock industry is experiencing a similar trend, with a heightened focus on improving the health and productivity of animals. This dual momentum reflects a broader societal recognition of the significance of animal health, driving the expansion of the animal health market in India.

Metallurgy

The metallurgy market in India is shaped by several key factors, including ongoing infrastructure development, robust growth in manufacturing activities, and strategic government initiatives such as "Make in India." The emphasis on building and upgrading infrastructure projects has led to an increased demand for metallurgical products, particularly steel and alloys.

Further, the growth in manufacturing, coupled with initiatives that promote domestic production and industrialization, propels the metallurgy market. "Make in India" specifically encourages indigenous manufacturing, attracting investments, and fostering the development of the metallurgical sector as a crucial component of the country's economic expansion and self-sufficiency goals.

Scientific and Laboratory Research

India's scientific and laboratory research market is undergoing substantial expansion, fueled by a surge in investments in Research and Development (R&D) activities. Academic institutions and pharmaceutical/biotech firms are playing pivotal roles in driving the heightened demand for cutting-edge laboratory equipment. With a growing focus on advancing scientific knowledge and innovation, these institutions and firms are investing in state-of-the-art technologies and tools for research purposes. This trend reflects a broader commitment to fostering a robust research ecosystem, positioning India as a key player in the global scientific community and contributing to advancements across various scientific disciplines.

Electronics

India's electronics market is experiencing notable growth, primarily driven by a surge in consumer electronics consumption and strategic government initiatives like "Digital India." The increasing adoption of digital technologies and the rising internet penetration have fueled the demand for electronic devices and components. "Digital India" aims to transform the nation into a digitally empowered society and knowledge economy, spurring advancements in electronic applications. This concerted effort aligns with the escalating consumer demand for smartphones, laptops, smart appliances, and other electronic gadgets. The trajectory of the electronics market in India is marked by a dynamic interplay between consumer preferences and government-led initiatives, contributing to a thriving and evolving industry landscape.

Precision Industrial Products

The precision industrial products market in India is propelled by the surging demand for high-precision components from the manufacturing sector. Key industries, including automotive, aerospace, and healthcare, significantly contribute to this demand. In the automotive sector, precision components are crucial for manufacturing reliable and efficient vehicles. The aerospace industry relies on precision engineering for the production of intricate aircraft components. Whereas the healthcare sector requires high-precision products for medical devices and equipment. This convergence of demand from diverse sectors underscores the pivotal role of precision industrial products in fostering advancements across critical industries in India.

Key Challenges

Price Fluctuations

The global chemical manufacturing industry faces challenges related to fluctuating prices, availability of key raw materials, supply-chain disruptions, etc. The price of end-products also fluctuates due to global demand-supply dynamics. For example, citrate prices increased significantly in CY2022. However, they are expected to moderate in the current year. At the same time, price fluctuations of both raw materials and end products pose a challenge for the manufacturers since the changes in working capital requirements also impact their profitability.

Stringent Quality Norms

There are stringent quality norms required to be followed for chemical production, especially if they are used in pharmaceuticals, nutraceuticals, laboratory reagents, etc. These guidelines are applicable to the production, storage, handling, transport, and disposal of hazardous materials. Developed regions like the US and Europe particularly have strict guidelines for such imported products. Therefore, such suppliers need to ensure that their facilities and products are compliant with the prescribed quality guidelines, as the failure to comply has a significant adverse impact on the company's business.

Global Inflationary Pressures and Geo-Political Tensions

Currently, inflation is significantly high in most countries globally, which has led to the central banks raising interest rates. Also, the high inflation and interest rates have impacted the savings and discretionary spending globally, which is likely to have a near-term impact on demand for food & beverage and nutraceuticals, among others.

Furthermore, the ongoing geopolitical tensions may lead to raw material supply issues, transportation disruptions, and impact demand from key consuming markets.

Environmental Concerns

The chemical industry has been facing challenges due to effluent discharge and soil contamination. As the global focus increases on climate change and sustainability, the chemical industry players will need to invest in R&D and better technology to minimize the environmental impact of the production process.

Peer Comparison

Indian Companies

a. Kronox Lab Science Ltd.

Kronox Lab Sciences Ltd. is a manufacturer of high-purity speciality fine chemicals. It manufactures products compliant with reagents, pharmacopeia, and various food grade standards used in the pharmaceutical, nutraceutical, veterinary, food, biotech, chemical analysis and research, metallurgy, personal care and other specialty markets. The company is headquartered in Padra, Vadodara, Gujarat. The company's product groups include acetates, carbonates, chlorides, citrates, hypophosphates, nitrates, nitrites, phosphates, sulphates, and other ultra-pure fine chemicals.

Key Financials of Kronox Lab Science (in Rs. Million)

Particulars	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	466.5	505.0	632.5	833.4	975.0
EBITDA	110.9	127.8	156.5	207.2	236.3
EBITDA Margin	23.8%	25.3%	24.8%	24.9%	24.2%
Profit After Tax	71.0	85.9	97.3	136.1	164.0
Profit After Tax Margin	15.2%	17.0%	15.4%	16.3%	16.8%

Source: Annual Report, XXX Research

b. Sudeep Pharma Pvt. Ltd.

Sudeep Pharma, established in 1989, is a manufacturer and exporter of calcium phosphates and calcium carbonate. The company's facilities are located in Vadodara, Gujarat. It has a production capacity of 50,000 MT per annum. The company caters to the pharma, food, and feed segments, with 1,000+ customers across 80+ countries.

Key Financials of Sudeep Pharma Pvt. Ltd. (in Rs. Million)

Particulars	FY2019	FY2020	FY2021	FY2022
Revenue	890.8	1,230.1	2,151.1	3,430.1
EBITDA	204.3	286.1	475.2	748.5
EBITDA Margin	22.9%	23.3%	22.1%	21.8%
Profit After Tax	117.5	180.4	333.4	501.7
Profit After Tax Margin	13.2%	14.7%	15.5%	14.6%

Source: Annual Report, XXX Research

c. Canton Laboratories Pvt. Ltd.

Canton Laboratories Pvt. Ltd. is a manufacturer of specialty chemicals, pharma, and food chemicals. The company's facilities are located in Vadodara, Gujarat. It caters to the domestic market and exports its products to Bangladesh, Egypt, Saudi Arabia, the United Kingdom, and South Africa. The company's major products are dried ferrous sulfate, aluminium chloride hexahydrate, sodium metabisulfite, sodium tripolyphosphate, etc.

Key Financials for Canton Laboratories Pvt. Ltd. (in Rs. Million)

Particulars	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	726.2	784.9	907.0	1,024.3	1,202.2
EBITDA	238.8	279.0	329.1	342.2	425.2
EBITDA Margin	32.9%	35.5%	36.3%	33.4%	35.4%
Profit After Tax	230.4	187.0	235.3	236.1	327.9
Profit After Tax Margin	31.7%	23.8%	25.9%	23.0%	27.3%

Source: Annual Report, XXX Research

Global Companies

a. Jost Chemicals, USA

Jost Chemicals is a USA-based, privately owned and operated company with 35 years of existence. The company manufactures a broad range of high-purity specialty chemicals for the pharmaceutical, nutritional, food, reagents, and other specialty markets. The company's products include powders less than 6 microns to granular versions that are free-flowing and directly compressible.

Jost Chemicals manufactures 250+ chemicals and exports to over 60 countries. It offers a variety of salts like Acetates, Ascorbates, Aspartates, Caprates, Caprylates, Carbonates, Citrates, Formates, Fumarates, Gluconates, Glycinates, Hydroxides, Lactates, Malates, Nitrates, Oxides, Phosphates, Succinates, and Sulfates.

Key Financials for Jost Chemicals (in Rs. Million)

Particulars	CY2018	CY2019	CY2020	CY2021	CY2022
Revenue	6,572.3	7,361.0	7,967.9	10,043.5	11,760.1
EBITDA	1,687.5	1,809.8	1,883.6	2,432.0	2,898.0
EBITDA Margin	25.7%	24.6%	23.6%	24.2%	24.6%
Profit After Tax	983.4	1,121.1	1,238.2	1,493.9	1,836.9
Profit After Tax Margin	15.0%	15.2%	15.5%	14.9%	15.6%

Source: Maia Research, XXX Research.

Note: Figures are on a consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

b. Macco Organiques

Macco Organiques, a Czech Republic-based company, was established in 1976 and is a producer and supplier of inorganic salts for Intravenous fluid and dialysis solutions, pharmaceuticals, biotechnology, infant formulas, nutritional supplements, veterinarian preparations, mineralized and bottled water, and personal care. The company's key products include calcium chloride 2hy, magnesium chloride 6hy, magnesium sulphate dried, magnesium sulphate heptahydrate, zinc sulphate x-hydrate, ammonium sulphate, sodium sulphate anhydrous, and potassium chloride and potassium nitrate.

Key Financials for Macco Organiques (in Rs. Million)

Particulars	CY2018	CY2019	CY2020	CY2021	CY2022
Revenue	3,520.1	3,906.2	4,012.5	4,688.7	5,660.0
EBITDA	836.2	950.0	896.6	1,119.9	1,279.6
EBITDA Margin	23.8%	24.3%	22.3%	23.9%	22.6%
Profit After Tax	500.3	586.6	549.1	670.5	755.3
Profit After Tax Margin	14.2%	15.0%	13.7%	14.3%	13.3%

Source: Maia Research, XXX Research.

Note: Figures are on a consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

c. Budenheim

Budenheim is a Germany-headquartered specialty chemical company with a presence in the fields of nutrition, health, safety, and preservation of resources. It was founded in 1908 and has facilities in Germany, China, Mexico, USA, Spain, and the Netherlands. The company has sales in 100+ countries and has around 2,000+ customers.

Key Financials for Budenheim (in Rs. Million)

Particulars	CY2018	CY2019	CY2020	CY2021	CY2022
Revenue	21,376.2	22,818.2	24,257.8	31,026.4	45,046.4
EBITDA	5,127.1	5,599.8	5,742.7	7,332.1	11,253.9
EBITDA Margin	24.0%	24.5%	23.7%	23.6%	25.0%
Profit After Tax	3,065.2	3,338.6	3,426.3	4,338.4	6,812.3
Profit After Tax Margin	14.3%	14.6%	14.1%	14.0%	15.1%

Source: Maia Research, XXX Research.

Note: Figures are on a consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

d. Jiangsu Kolod Food Ingredients Co Ltd.

Jiangsu Kolod Food Ingredients Co. Ltd. is a China-based manufacturer of fine chemicals. Its products include phosphates, sulfates, chlorides, citrates, formates, acetates, etc. These chemicals are widely used in the food, pharmaceutical, electronic, and reagent industries. Its products are exported to 90+ countries.

Key Financials for Jiangsu Kolod Food Ingredients Co Ltd. (in Rs. Million)

Particulars	CY2018	CY2019	CY2020	CY2021	CY2022
Revenue	4,983.3	6,244.8	7,652.2	13,449.0	20,689.1
EBITDA	947.7	1,238.0	1,478.3	2,551.7	3,944.1
EBITDA Margin	19.0%	19.8%	19.3%	19.0%	19.1%
Profit After Tax	547.1	694.3	829.9	1,340.2	2,301.4
Profit After Tax Margin	11.0%	11.1%	10.8%	10.0%	11.1%

Source: Maia Research, XXX Research.

Note: Figures are on a consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

e. CFL Chemische Fabrik Lehrte GmbH & Co. KG

CFL, established in 1888, has more than 130 years of manufacturing presence in the production of salts. The company is a Germany-based manufacturer of calcium chloride, magnesium chloride, magnesium sulfate, potassium polysulfide, sodium sulfate, sodium chloride, and potassium chloride. CFL manufactures products for pharmaceuticals, nutrition & diet supplements, dialysis & infusion, and other specialty applications.

Key Financials for CFL Chemische Fabrik Lehrte GmbH & Co. KG (in Rs. Million)

Particulars	CY2018	CY2019	CY2020	CY2021	CY2022
Revenue	1,035.1	1,183.8	1,288.6	1,556.8	1,907.6
EBITDA	209.9	244.4	252.7	312.7	379.6
EBITDA Margin	20.3%	20.6%	19.6%	20.1%	19.9%
Profit After Tax	97.0	109.2	113.4	140.4	169.0
Profit After Tax Margin	9.4%	9.2%	8.8%	9.0%	8.9%

Source: Maia Research, XXX Research.

Note: Figures are on a consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

f. Ichimaru Co Ltd.

Japan-based Ichimaru is engaged in chemical trading, specializing in the import & export of cosmetics, health foods, and pharmaceutical quasi-drug raw materials. It was established in 1959. The company is primarily engaged in the sodium acetate anhydrous business. It is a food-grade additive used to improve the shelf-life of the products. The company has 1,000+ natural raw ingredients originating from plants, animals, and microorganisms. Moreover, it has sales in 50+ countries with 700+ patent applications in Japan and internationally.

Table 1: Key Financials for Ichimaru Co Ltd. (in Rs. Million)

Particulars	2018	2019	2020	2021	2022
Revenue	3,048.0	3,597.1	3,676.1	4,518.7	5,757.5
EBITDA	944.2	1,126.7	1,133.0	1,403.0	1,748.9
EBITDA Margin	31.0%	31.3%	30.8%	31.0%	30.4%
Profit After Tax	668.9	804.2	784.0	999.4	1,260.0
Profit After Tax Margin	21.9%	22.4%	21.3%	22.1%	21.9%

Source: Maia Research, XXX Research.

Note: Figures are on a Consolidated basis. 1 USD= 68.82, 70.42, 74.10, 73.92, 78.60 for CY2018, CY2019, CY2020, CY2021 and CY2022 respectively.

Comparison of Financial Parameters

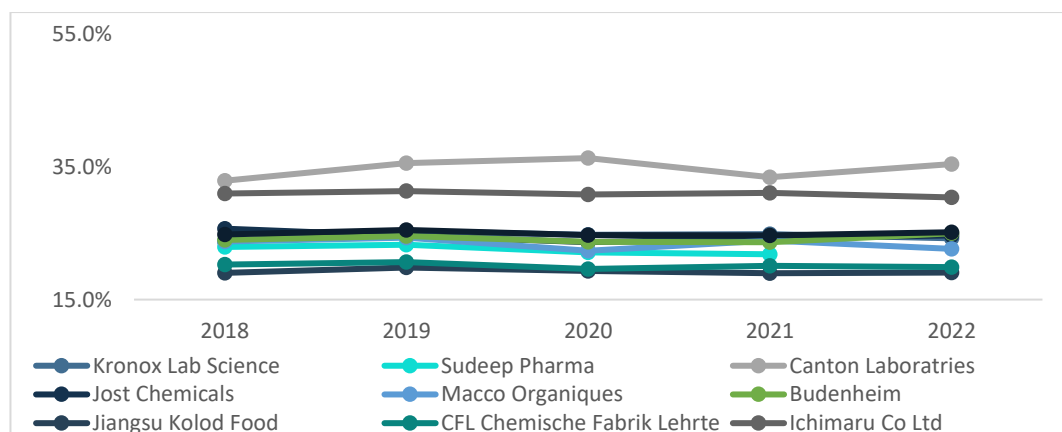
Profitability Ratios

EBITDA Margin

During 2022, the EBITDA margin of chemical companies was in the range of 19.1%-35.4%, with an average EBITDA margin of 25.2%. The EBITDA margin of companies declined marginally in 2021 compared to 2020.

Kronox Lab Sciences reported an EBITDA margin of 24.9% in FY22. However, it declined marginally in FY23 to 24.2%. The company has consistently maintained its margin above 24.0% in the past 3 years.

EBITDA Margin (%)



Note:

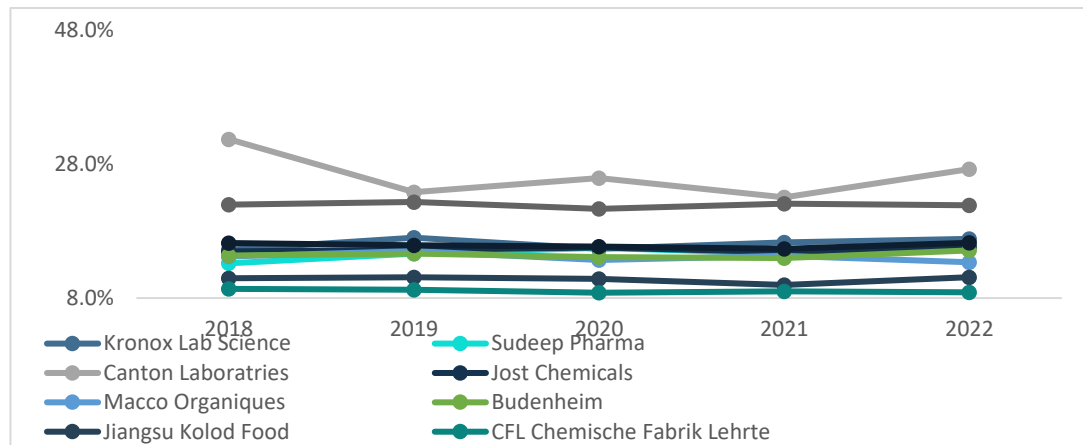
1. For Indian companies - Kronox Lab Science, Canton Laboratories & Sudeep Pharma, FY21 figures are mentioned under 2020, FY22 under 2021 and FY23 under 2022
2. Sudeep Pharma FY23 figures are not available
3. Global Companies' figures are on CY basis

Net Profit Margin

The net profit margin of chemical companies was slightly impacted in terms of 2021 vs. 2020. However, it has recovered with businesses recovering from the impact of the pandemic in 2020 and 2021. The average net profit margin of all companies crossed the pre-pandemic levels in 2022 at 16.3% from 15.4% in 2021 and 15.7% in 2020.

Kronox Lab Science reported a net profit margin of 16.3% in FY2022 and 16.8% in FY2023.

Net Profit Margin (%)



Note:

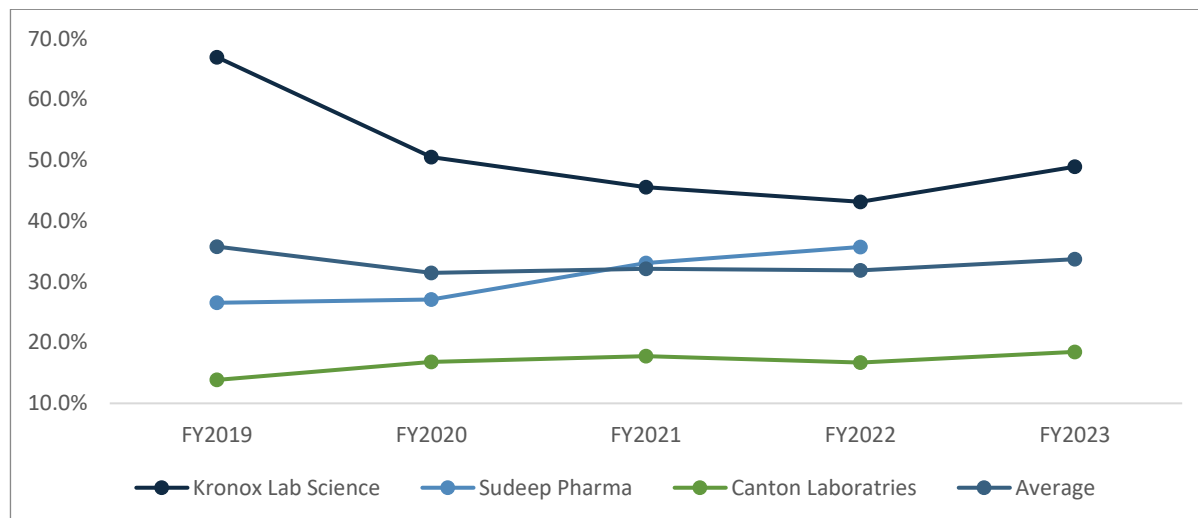
1. For Indian companies - Kronox Lab Science, Canton Laboratories & Sudeep Pharma, FY21 figures are mentioned under 2020, FY22 under 2021 and FY23 under 2022
2. Sudeep Pharma FY23 figures are not available
3. Global Companies' figures are on CY basis

Return and Liquidity Ratios

ROCE (%)

The average ROCE of Indian companies stood at 33.7% in FY23 compared to 31.9% and 32.1% in FY22 and FY21, respectively. Kronox reported a ROCE of 48.9% in FY23.

ROCE (%)



Note:

1. Global Peers data is not available
2. Sudeep Pharma's FY23 financials are not available.

Current Ratio

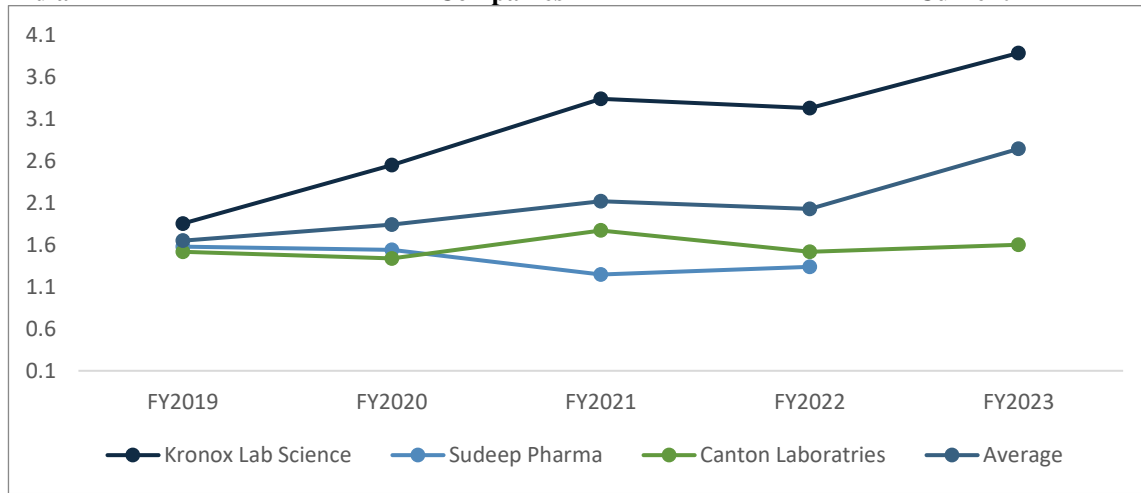
The average current ratio of Indian companies in FY23 was 2.7 times compared to 2.0 times and 2.1 times in FY22 and FY21, respectively. Kronox reported a current ratio of 3.9 times in FY23.

Indian

Companies

Current

Ratio



Note:

1. Global Peers data is not available
2. Sudeep Pharma's FY23 financials are not available

OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” on pages 30, 93 and 268, respectively as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular “fiscal year”, “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further details, see “Restated Financial Statements” on page 215. We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

The industry and market information contained in this section has been derived from a report titled “Report on Speciality Fine Chemicals Industry” dated November 2023 which was commissioned by and paid for by our Company (the “CareEdge Report”) in connection with the Offer.

Overview

We manufacture High Purity Speciality Fine Chemicals for diversified end user industries. Our High Purity Speciality Fine Chemicals are used mainly as (i) reacting agents and raw material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) excipients in pharmaceutical formulations; (iii) reagents for scientific research and laboratory testing; (iv) ingredients in nutraceuticals formulations; (v) process intermediates and fermenting agents in biotech applications; (vi) ingredients in agrochemical formulations; (vii) ingredients in personal care products; (viii) refining agents in metal refineries; and (ix) ingredients in animal health products, amongst others. Our products are manufactured in accordance with industry standards like IP, BP, EP, JP, USP, FCC, LR, AR, GR and ACS in addition to custom manufacturing specifications, which differ from the industry standards, required by our customers in select cases. We manufacture High Purity Speciality Fine Chemicals of various grades in particle sizes ranging from 10 mesh to 100 mesh. We believe that our focus on product development, diversity in product offerings, meeting quality standards and customer specifications and continuous process improvement has led to repeat orders from our customers over the years.

Our range of more than 185 products spanning across the family of phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others are supplied to customers in India and more than 20 countries globally.

The table below sets forth details of our products (*product family, sub-product group and no. of products*):

Product Family	Product Sub-Group	No. of Products
Phosphate	Ammonium, Calcium, Magnesium, Potassium, Sodium, Others	36
Sulphate	Aluminium, Ammonium, Calcium, Copper, Magnesium, Nickel, Potassium, Sodium, Zinc, Manganous, Others	28
Chloride	Barium, Calcium, Copper, Magnesium, Nickel, Zinc, Manganous, Potassium, Sodium, Others	15
Acetate	Ammonium, Barium, Calcium, Copper, Lead, Magnesium, Potassium, Sodium, Zinc, Others	12

Product Family	Product Sub-Group	No. of Products
Nitrate and Nitrite	Barium, Calcium, Copper, Lead, Magnesium, Nickel, Potassium, Sodium, Zinc, Others	11
Citrate	Ammonium, Magnesium, Potassium, Sodium, Zinc, Others	10
Carbonate	Ammonium, Calcium, Magnesium, Potassium, Sodium, Others	9
EDTA Derivatives	Potassium, Sodium, Others	6
Hydroxide	Barium, Calcium, Magnesium, Potassium, Sodium, Others	4
Succinate and Gluconate	Sodium, Zinc, Others	3
Others	Aluminum, Ammonium, Calcium, Copper, Lead, Magnesium, Oxalic, Potassium, Sodium, Zinc, Others	54
Total		188

In addition to the manufacturing of products in accordance with various domestic and international standards, we also undertake custom manufacturing to achieve high levels of purity, as specified by the client, having different purity levels than the prescribed industry standards. Custom manufacturing requires deep domain knowledge, expertise and understanding of the characteristics of each chemical and its compounds, including decreasing the level of existing impurities and the processes to be deployed to reach the desired level of purity.

Our products find applications in following industry segments:

Industry Segment	Application
Pharmaceutical Formulations and Active Pharmaceutical Ingredients (APIs)	As excipients in pharmaceutical formulations incl. disintegrants, binders, fillers and bulking agents, as supplements for electrolytes, as chelating agents for enhancement of stability of medications, as reacting agents and raw materials for intermediates
Biotech	As buffers to control the pH of biological solutions, as chelating agents in certain processes involving enzymes or proteins, as chelating agents in cell culture media, as process intermediates, as fermentation agents, as buffer solutions for precipitation and purification of proteins, as cofactor in enzyme reactions and in polymerase chain reaction.
Scientific Research & Laboratory Testing	As drying agents, dehydrating agents and catalysts, as precursors in the synthesis of several organic substances, as complexing agents in analytical chemistry
Nutraceuticals	As ingredients in the nutritional, dietary and health supplement products (incl. bioavailable mineral supplements), as stabilizers in nutraceutical formulations
Agrochemicals	As ingredients in the agrochemical formulations
Personal Care	As chelating agents, stabilizers, or pH adjusters, as additives, as surfactants, as deterioration prevention stabilizers
Metallurgy	As refining agents, complexing agents, fluxing agents, as corrosion inhibitors
Animal Health	As formulation excipients, stabilizers, stabilizers, preservatives, buffering agents in medications and supplements for animals

We have set up an in-house research, development and testing laboratory (“**RDT Laboratory**”) to develop new products and test our products against the specified industry standards or customer specifications. Our dedicated RDT Laboratory is located in Unit I with the objective to implement a performance-oriented approach with the help of advanced equipment and systems. Our RDT Laboratory is equipped with the necessary facilities to carry out tests required to develop the products. Our RDT team comprises of 16 science graduates and post-graduates who carry out various tests to ensure that the quality of our products meets customer requirements and established industry standards.

We continue to expand our range of products in order to meet changing demands of the end user industries. For the three months period ended June 30, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, we manufactured and sold 113, 157, 156 and 159 products, respectively. Our products are supplied to various industries for use in their

products and processes. We set-out below the industries where our products have been used in various applications:

(₹ in million except for percentages)

Application/ Industry	For three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
Pharmaceuticals	103.05	39.71	389.78	40.78	337.24	41.00	339.86	54.41
Scientific Research and Laboratory Testing	94.29	36.33	279.23	29.21	267.63	32.54	146.17	23.40
Nutraceuticals	53.56	20.64	245.22	25.66	174.77	21.25	113.88	18.23
Others*	8.63	3.32	41.55	4.35	42.83	5.21	24.70	3.95
Total	259.52	100.00	955.78	100.00	822.47	100.00	624.60	100.00

*Includes: Biotech, Agrochemicals, Personal Care, Metallurgy and Animal Health.

Over the years, we have expanded our scale of operations and global footprint with customers in over 20 countries including United States, Argentina, Mexico, Australia, Egypt, Spain, Turkey, United Kingdom, Belgium, United Arab Emirates, China, among others. During Fiscal 2023, we exported our products to 15 countries. For three months ended June 30, 2023 and for the Fiscals 2023, 2022 and 2021, our revenue from exports (excluding merchant exports) amounted to ₹ 66.07 million, ₹ 242.68 million, ₹ 192.95 million and ₹ 128.43 million and accounted for 25.46%, 25.39%, 23.46% and 20.56%, of our revenue from operations, respectively. Our Company's revenue from exports have grown at a CAGR of 37.46% between Fiscal 2021 and 2023.

During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021, we served 233, 342, 309 and 280 customers, respectively. We served 625 customers in the last five (5) financial years of which 93 customers placed repeat orders in each of these five financial years and during the three months ended June 30, 2023. We have added 27, 98, 91 and 76 new customers during the three months period ended June 30, 2023, Fiscal 2023, 2022 and 2021 respectively.

We have three (3) Manufacturing Facilities situated at Vadodara in Gujarat are close to the seaports of Mundra, Kandla, Hazira and Nhava Sheva. Our Manufacturing Facilities are cumulatively spread across 17,454 sq. mtrs. and as on June 30, 2023 have an aggregate installed capacity of 7,242 TPA. Our Unit I/II hold certifications such as, FSSC 22000 (Version 5), ISO 9001:2015, ISO 14001:2015, ISO 45001:2018. Further, we have also obtained certifications such as Kosher, Halal, GMP and GLP for some of our products manufactured at Unit I. For further details, see “- Manufacturing Facilities Certifications” on page 177. Additionally, we have acquired a land admeasuring to 19,213 sq. mtrs. at GIDC - Dahej II Industrial Estate. Consideration for this land has already been paid and an application for assignment of the land to our Company has been made to GIDC.

The financial performance of our Company for three months period ended June 30, 2023 and for Fiscals 2023, 2022 and 2021, is as follows:

(₹ in million except per share data or unless otherwise stated)

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Revenue from Operations	259.52	955.78	822.47	624.60
EBITDA ⁽¹⁾	85.18	219.96	196.97	148.03
EBITDA Margin (%) ⁽²⁾	32.82	23.01	23.95	23.70
Profit After Tax for the Year	63.82	166.17	136.27	97.30
PAT Margin (%) ⁽³⁾	24.36	17.04	16.35	15.39
EPS (Basic & Diluted) ⁽⁴⁾	1.72	4.31	3.49	2.40
Total Borrowings	-	-	6.42	0.13
Net worth	510.43	446.79	403.53	268.14

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
ROE (%) ⁽⁵⁾	12.50	37.19	33.77	36.29
ROCE (%) ⁽⁶⁾	19.55	49.86	46.27	51.78
Debt - Equity Ratio ⁽⁷⁾	-	-	0.02	Negligible
Fixed Assets Turnover Ratio ⁽⁸⁾	1.65	6.01	9.30	10.87
Net Cash from/ (used in) Operating Activities	105.14	196.65	90.20	113.14
Net Cash from/ (used in) Investing Activities	(49.80)	(55.17)	(75.99)	(29.56)
Net Cash from/ (used in) Financing Activities	-	(133.96)	(6.66)	(70.95)
Revenue CAGR (Fiscal 2021 to 2023) (%)	23.70			
EBITDA CAGR (Fiscal 2021 to 2023) (%)	21.90			
PAT CAGR (Fiscal 2021 to 2023) (%)	30.68			

*EPS, ROCE, ROE and Fixed Asset Turnover Ratio for the three months ended June 30, 2023 have not been annualized. As certified by Mahesh Udhwani & Associates, Chartered Accountants vide their certificate dated November 22, 2023.

Notes:

- 1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income;
- 2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
- 3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue;
- 4) EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares);
- 5) ROE is calculated as Net profit after tax, as restated, divided by total equity;
- 6) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity - Revaluation Reserve- Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances);
- 7) Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long-term debt, based on Restated Financial Statements;
- 8) Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.

Our Strengths

Wide range of products finding applications in diversified end user industries.

We manufacture a broad range of High Purity Speciality Fine Chemicals belonging to the family of citrates, carbonates, phosphates, acetates, sulphate, EDTA derivatives, chlorides, hydroxide, bromide, nitrites, and nitrates. Our products have applications across a wide spectrum of industries like pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health. Over the years, we have expanded our product portfolio to more than 185 products. During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021, we sold 113, 157, 156 and 159 products, respectively. Our top 20 products amounting ₹ 177.22 million, ₹ 655.82 million, ₹ 574.53 million and ₹ 437.45 million contributing 68.65%, 70.21%, 71.27% and 71.12% of our revenue for the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021 respectively, providing us a diversified base. These products are manufactured in accordance with the standards like IP, BP, EP, JP, USP, FCC, LR, AR, GR and ACS. In addition to manufacturing products as per these standards, we also undertake custom manufacturing of High Purity Speciality Fine Chemicals to achieve different levels of purity as specified by the customer for their specific requirements. Custom manufactured speciality chemicals are high margin products having specialised usage in the end user industries. Manufacturing these products requires deep domain knowledge of chemical compositions, their reactions and combinations with other chemicals when exposed to high temperature in order to meet the desired level of purity.

Long standing relationships with customers.

Our customer engagements are dependent on us delivering quality products, consistently. During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021, we served 233, 342, 309 and 280 customers, respectively. We served 625 customers in the last five (5) financial years of which 93 customers placed repeat orders in each of these five financial years and during the three months ended June 30, 2023. Out of our total revenue from operations in the three months ended June 30, 2023 and Fiscals 2023, 2022 and 2021 our top 10 customers amounted ₹ 141.35 million, ₹ 484.43 million ₹ 462.03 million and ₹ 351.80 million contributing 52.97%, 50.09%, 55.76% and 55.71% respectively, and our top 20 customers amounted ₹ 182.81 million, ₹ 621.35 million ₹ 568.76 million and ₹ 443.68 million contributing 68.50%, 64.24%, 68.64% and 70.26%, respectively.

Our long-term relationships and ongoing active engagements with customers also allow us to plan our working capital and 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 have also helped us in expanding our product offerings and geographic reach. Our wide customer base assists us in reducing dependence and helps in mitigating the effects of economic and industry-specific cycles.

High entry and exit barriers due to long customer approval cycles and strict product standards.

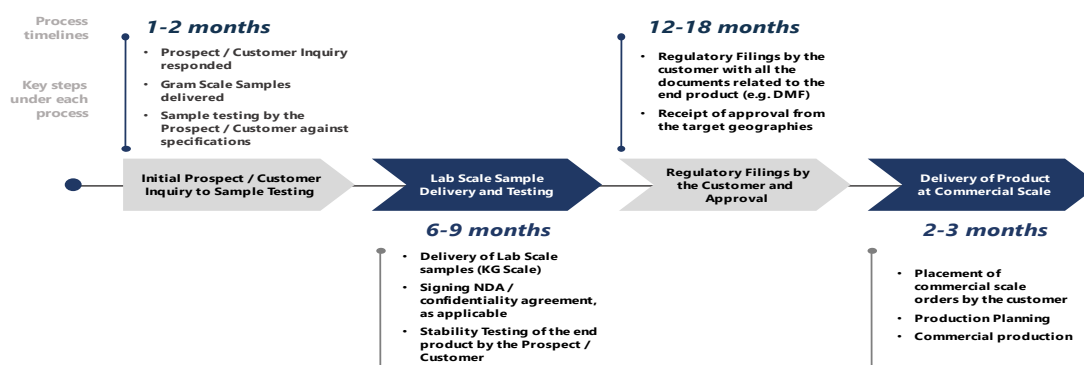
We manufacture and market High Purity Speciality Fine Chemicals used as reacting agent in manufacturing of Active Pharmaceutical Ingredients (APIs), as excipients in pharmaceutical formulations, as nutritional ingredients in nutraceuticals formulations, as ingredients in personal care products, as reagents for scientific research and laboratory testing, as refining agents in metal refineries, as ingredients in animal health products and as fermenting agents in biotech applications, among others, for use across the global.

Our manufacturing process involves multi-step production and purification processes to manufacture fine chemicals. Further, given the nature of the application, our processes and products are subject to, and measured against established domestic and international standards and stringent specifications of customers. We believe that we have, over the years, built strong relationships with our customers, who recognize our technical capabilities and timely deliveries and associate our Company with good and consistent quality products.

Any change in vendors of our customers may require significant time and costs due to regulatory filings and related issues resulting in a propensity amongst our customers to continue with the same set of suppliers. Hence, customer acquisition involves a long process and gestation period is higher. Further, our Manufacturing Facilities are regularly audited by our customers or their external consultants to ensure that we meet their quality and process standards. Meeting these standards involves continuous process improvements, research & development and quality control checks and data analysis and reporting. As a result of more than a decade of experience of working with domestic and multinational customers across jurisdictions, we believe that we are well positioned to capitalise on our experience and expertise to obtain repeat orders from our customers. During the three months period ended June 30, 2023, we supplied our products to over 233 customers, out of which 93 of our customers have been associated with us since the past 5 years and 125 of our customers have been associated with us since the past three (3) years. During Calendar Year 2022 and 2023 (*upto the date of this Draft Red Herring Prospectus*), our facilities were audited 28 times by customers/prospects or their external consultants.

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A Typical Product Approval Cycle



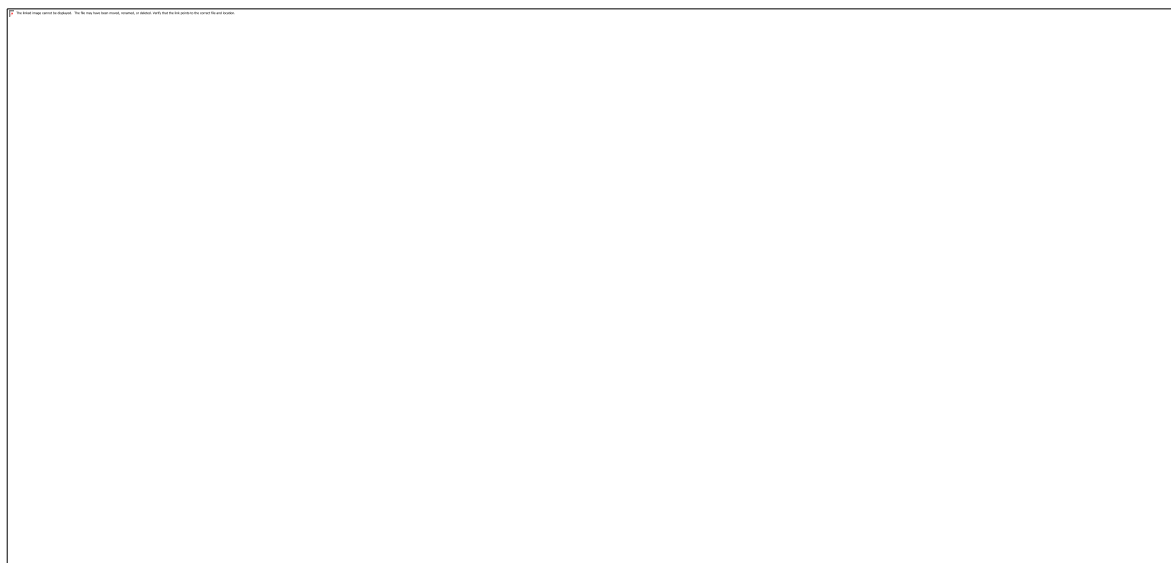
Due to the long approval process, customers typically avoid changing the suppliers as they are selected after detailed evaluation and customers tend to develop long term relationships with them

Focus on R&D and Quality Control.

Research, Development and Quality Control are pillars of our continued growth over the years. We give equal importance to both these areas as one i.e. R&D leads to new product development required for growth of our business and profitability, whereas the other i.e. QC to achieve customer quality standards for the continued supply of products required by the end user industries. Once we have achieved development of a product in our RDT Laboratory, achieving commercial scale with the available equipment is another challenge. Product development on a commercial scale with the QC meeting customer and prescribed standards requires coordination between these functions to ensure that the new products developed are able to scale up, meeting customer quality requirements.

Custom manufacturing of products requires substantial R&D before production. Various tests are required to be conducted in our laboratory to check whether a chemical is able to achieve a particular level of purity as required by the customer for end use purposes. For example, we recently achieved quality specifications for calcium chloride and magnesium chloride for drinking water, calcium acetate for pharma applications, ammonium fluoride, tri-potassium phosphate, potassium hydroxide, potassium acetate, potassium chloride for diversified applications.

Our product development efforts are led by our Chairman & Managing Director, Jogindersingh Jaswal who has an experience of more than 30 years in product development. We rely on the skills of our personnel employed in RDT Laboratory for our growth and continued success of our business. Our RDT Laboratory is based in Unit I. We have sixteen (16) personnel employed in RDT Laboratory.



Zero debt company with strong and consistent financial performance.

We have a track record of operations of over a decade and have a robust balance sheet and cash flow position. We have experienced sustained growth in various financial indicators including our revenue and PAT, as well as a consistent improvement in our balance sheet position in the last three Fiscals, wherein we have seen an increase in our net worth.

The table below sets forth some of the key financial indicators for the three months ended June 30, 2023 and Fiscals 2023, 2022 and 2021:

(₹ in million except for percentages)

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Revenue from Operations	259.52	955.78	822.47	624.60
EBITDA ⁽¹⁾	85.18	219.96	196.97	148.03
EBITDA Margin (%) ⁽²⁾	32.82	23.01	23.95	23.70
Profit After Tax for the Year	63.82	166.17	136.27	97.30
PAT Margin (%) ⁽³⁾	24.36	17.04	16.35	15.39
EPS (Basic & Diluted) ⁽⁴⁾	1.72	4.31	3.49	2.40
Total Borrowings	-	-	6.42	0.13
Net worth	510.43	446.79	403.53	268.14
ROE (%) ⁽⁵⁾	12.50	37.19	33.77	36.29
ROCE (%) ⁽⁶⁾	19.55	49.86	46.27	51.78
Debt - Equity Ratio ⁽⁷⁾	-	-	0.02	Negligible
Fixed Assets Turnover Ratio ⁽⁸⁾	1.65	6.01	9.30	10.87
Net Cash from/ (used in) Operating Activities	105.14	196.65	90.20	113.14
Net Cash from/ (used in) Investing Activities	(49.80)	(55.17)	(75.99)	(29.56)
Net Cash from/ (used in) Financing Activities	-	(133.96)	(6.66)	(70.95)
Revenue CAGR (Fiscal 2021 to 2023) (%)				23.70
EBITDA CAGR (Fiscal 2021 to 2023) (%)				21.90
PAT CAGR (Fiscal 2021 to 2023) (%)				30.68

*EPS, ROCE, ROE and Fixed Asset Turnover Ratio for the three months ended June 30, 2023 have not been annualized.

Notes:

- 1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income;
- 2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
- 3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue;
- 4) EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares);
- 5) ROE is calculated as Net profit after tax, as restated, divided by total equity;
- 6) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity-Revaluation Reserve-Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances);
- 7) Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long term debt, based on Restated Financial Statements;
- 8) Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.
- 9) CAGR = Compounded Annual Growth Rate

Our robust balance sheet, positive operating cash flows coupled with zero debt position enable us to fund our strategic initiatives, pursue opportunities for growth and better manage unanticipated cash flow variations. Our financial strength provides us a valuable competitive advantage over our competitors with access to financing, which are factors critical to our business.

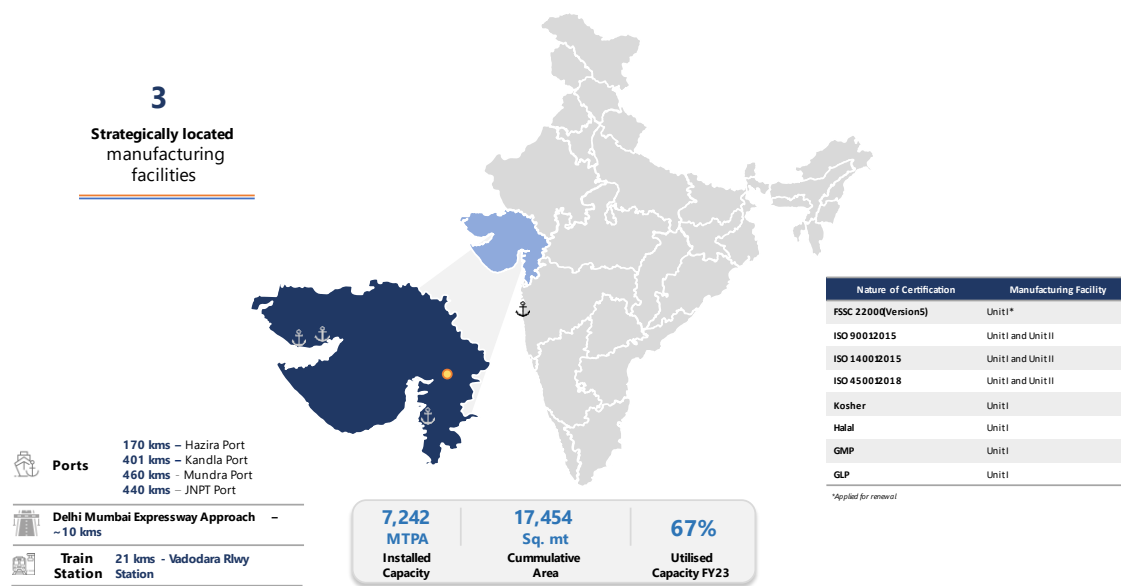
We believe that our financial position, as mentioned above, illustrates not only the growth of our operations over the years, but also the effectiveness of the administrative and cost management protocols that we have implemented. We have sufficient cash reserves and internal accruals which shall be utilised for our near-term growth and expansion plans including the capital expenditure for the new manufacturing facility being planned on the land being acquired at GIDC Dahej – II Industrial Estate. Further, our zero-debt status provides us with sufficient leverage to avail debt funding in future, if required, for tapping high growth and expansion initiatives.

Strategically located manufacturing facilities providing supply chain efficiencies.

Our manufacturing infrastructure is a key growth driver for our business. Currently we have three strategically located Manufacturing Facilities which are located in Padra, Vadodara, Gujarat, in close proximity to several ports including Kandla, Mundra, Hazira and Nhava Sheva which ensures that we have ready access to port facilities and are able expediently import our raw materials and export our products thereby providing us with a cost and logistical advantage. Our Manufacturing Facilities are located approximately 400 kms, 450 kms, 150 kms and 440 kms from Kandla Port, Mundra Port, Hazira Port and Nhava Sheva Port, respectively. Our Manufacturing Facilities are in proximity to DMIC and Delhi-Mumbai Expressway and have access to rail and airport facilities. Further, our Manufacturing Facilities are located in Gujarat, where some of the major APIs, pharmaceutical formulations, nutraceuticals, biotech and other application industries are located. Our Manufacturing Facilities are located in close proximity to each other, thereby ensuring greater logistic synergies and operational efficiencies. Our Unit I/II hold certifications such as, FSSC 22000 (Version 5), ISO 9001:2015, ISO 14001:2015, ISO 45001:2018. Further, we have also obtained certifications such as Kosher, Halal, GMP and GLP for some of our products manufactured in Unit I. For further details, see “- Manufacturing Facilities Certifications” on page 177.

Logistics and inventory control are both important to our margins and to customer satisfaction. We have dedicated storage area for bulk storage of raw materials and finished goods at each of our Manufacturing Facilities. Each of our Manufacturing Facilities are also equipped with a warehouse, enabling smooth functioning of our operations.

Our manufacturing infrastructure and capacities



Additionally, we are planning to establish a new manufacturing facility to expand our product portfolio and diversify into new product segments and We have acquired a land admeasuring to 19,213 sq. mtrs. at GIDC - Dahej II Industrial Estate. Consideration for this land has already been paid and an application for assignment of the land to our Company has been made to GIDC. The proposed facility is located under a dedicated chemical

zone which provides us with various strategic advantages including better logistical connectivity and availability of utilities, proximity to our customers and suppliers, better availability of skilled manpower, among others.

Experienced Promoters and Senior Management with extensive domain knowledge.

We are led by our Promoters and Directors, Jogindersingh Jaswal, Ketan Vinodchandra Ramani and Pritesh Vinodchandra Ramani who have a collective experience of over seven (7) decades in the chemical industry. Our Promoters and senior management are involved in various aspects of our business, including manufacturing, R&D, quality control, finance, procurement, sales and marketing. Our Promoter and Director Jogindersingh Jaswal was with the erstwhile Ranbaxy Laboratories Limited and Ranbaxy Fine Chemicals Limited from the year 1994 till 2001 and has over three (3) decades of experience. Further, our Promoters and Directors, Ketan Vinodchandra Ramani and Pritesh Vinodchandra Ramani looks after finance, purchase, administration procurement of raw material in our Company. Our CFO has over six (6) years of experience in functions such as purchases, accounting and taxation and oversees functions such as accounting, finance and taxation in our Company. Our Company Secretary and Compliance Officer is responsible for corporate governance and secretarial compliances and has experience of corporate governance and secretarial compliances.

We believe that the experience, depth and diversity of our Promoters and senior management have enabled our Company to scale up our operations in domestic and international markets. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and leverage customer relationships and respond to changes in customer preferences.

For further information on our Promoters and Senior Management, please see “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 208 and 189, respectively.

Our Strategies

Expand our product portfolio, increasing the supply of our products to our existing customers and tap new customers in existing and new geographies.

Over the years we have expanded our product portfolio to more than 185 products spread across diverse applications. We have consistently endeavoured to diversify our portfolio of products to cater to changing customer requirements across various segments and geographies. Our experience and expertise of more than 15 years in the industry helps us to capitalize on new opportunities offered by our customers. We intend to continue to strengthen our existing product portfolio and diversify into new products with potential for growth and profitability within our existing product groups and new applications. In addition to the above, we are also working towards new products forming a part of the family of acetate, adipate, ascorbate, aspartate, benzoate, citrate, EDTA, gluconate, glycinate, lactate, malate, orotate, propionate, sorbate and succinate, among others.

The table below sets forth details of our products in various phases of research and development:

Product Group	No. of Products	Application Industry(ies)
Acetate	12	Pharmaceuticals, Nutraceuticals, Food
Adipate	2	Various
Ascorbate Derivatives	6	Pharmaceuticals, Nutraceuticals
Aspartate Derivatives	8	Pharmaceuticals, Nutraceuticals
Benzoate	1	Pharmaceuticals, Nutraceuticals, Food
Citrate Derivatives	22	Pharmaceuticals, Nutraceuticals, Food
EDTA Derivatives	13	Pharmaceuticals, Nutraceuticals, Food, Personal Care
Gluconate Derivatives	18	Pharmaceuticals, Nutraceuticals
Glycinate Derivatives	15	Pharmaceuticals, Nutraceuticals
Lactate	5	Pharmaceuticals, Nutraceuticals
Malate Derivatives	4	Pharmaceuticals, Nutraceuticals
Orotate Derivatives	5	Pharmaceuticals, Nutraceuticals
Propionate	3	Pharmaceuticals, Nutraceuticals, Food
Sorbate Derivatives	3	Pharmaceuticals, Nutraceuticals, Food
Succinate	5	Pharmaceuticals, Nutraceuticals, Food
Total	122	

During three months ended June 30, 2023 and Fiscal 2023, we supplied our products to more than 230 and 340 customers respectively, in India and overseas. We have cumulatively served 625 customers in previous five (5) years of which 93 customers have placed repeat orders in each of these five years and during the three months ended June 30, 2023. We believe that the long-standing relationships with our customers over the years and the repeat and increased orders received from them reiterate our commitment towards growth and increasing profitability. We intend to focus on increasing our share of product supplies with existing customers and generating new customers for our existing and future products. We intend to continue to leverage our existing sales team, diversified product portfolio and industry standing to establish new relationships with multinationals and domestic customers.

In Fiscal 2023, we sold our products to 15 countries outside India including the United States. During the three months ended June, 30, 2023, Fiscal 2023, 2022 and 2021, we have cumulatively exported our product to over 20 countries. We set-out below our revenues and percentage of revenues from operations for the three months ended on June 30, 2023 and Fiscals 2023, 2022 and 2021:

Geography	For the three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	₹ in million	% of revenue	₹ in million	% of revenue	₹ in million	% of revenue	₹ in million	% of revenue
India (Domestic Sales)	174.98	67.42	654.46	68.47	572.53	69.61	459.20	73.52
Exports	66.07	25.46	242.68	25.39	192.95	23.46	128.43	20.56
India (SEZ Sales)	15.91	6.13	49.66	5.20	42.66	5.19	31.59	5.06
Merchant Exports	2.56	0.99	8.97	0.94	14.33	1.74	5.38	0.86
Total Revenue from Operations	259.52	100.00	955.78	100.00	822.47	100.00	624.60	100.00

In exports, United States remains the largest market for our products contributing ₹ 59.06 million, ₹ 219.20 million, ₹ 170.74 million and ₹ 109.79 million contributing 89.39%, 90.33%, 88.49% and 85.48% of our revenue from exports for the three months ended June 30, 2023 and Fiscals 2023, 2022 and 2021, respectively. Going forward, we intend to diversify our reach in geographies including North America, Europe, Middle East Asia and Central & South America. Our sales and marketing team is dedicated to generating business orders and understanding the requirements of our customers.

Expand our capacity for existing products and diversifying into new products by setting up a new manufacturing facility

As of June 30, 2023, our aggregate installed capacity is 7,242 TPA across three Manufacturing Facilities. As part of our growth plans and to cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to establish a new manufacturing unit at GIDC Dahej – II Industrial Estate and we have acquired a land admeasuring to 19,213 sq. mtrs. at GIDC - Dahej II Industrial Estate. Consideration for this land has already been paid and an application for assignment of the land to our Company has been made to GIDC. We plan to establish our fourth unit at this location with an estimated installed capacity of 18,000 TPA to be used to manufacture High Purity Speciality Fine Chemicals from our existing product portfolio as well as new products. The cost for establishing the new unit is estimated at ₹ 675 million which is proposed to be financed entirely from the internal accruals of our Company. Once this unit is operational, our total installed capacity is estimated to be around 25,242 TPA which will significantly enhance our revenues. We expect to commence the commercial production of this new unit by Fiscal 2025.

Explore newer applications for our existing products and developing new products that are in synergy with our current and future operations.

We currently supply our products for applications in pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health among others industries. Our

products are used at different stages across these applications segment as excipients, ingredients, reagents, buffering agents, fermenting agents, refining agents, among others.

Our Company aims to expand the sale of our products to other industries where such products have applications. Going forward, we aim to market our products for end-use applications in industries such as food, beverages, electronics and precision industrial products. Our new products proposed to be manufactured in the near future are expected to increase their application in the present and new industries. We believe that we have, over the years, built long term relationships with our customers who recognise our technical capabilities and ability to deliver products on a timely basis.

We believe that the growth in end-use industries such as APIs, pharmaceutical formulations, agrochemical formulations, nutraceuticals, personal care, scientific research and laboratory, metal refining, animal health, biotech, beverages, food, electronics and precision industrial products, among others, will lead to an increase in demand for our current and proposed products. We believe that expansion of our portfolio through our existing and proposed manufacturing facility will further strengthen our market position and enable us to offer comprehensive solutions to our customers.

The table below sets forth details of existing and future growth prospects of various end-user industries:

Industry	Growth Prospects and Drivers
Pharmaceuticals	The Indian pharmaceutical industry has demonstrated a CAGR of approximately 8% from FY17 to FY23 resulting in a market size of approximately USD 50 billion. Indian pharmaceutical market is expected to grow to a market size of approximately USD 57 billion by FY25. The domestic demand for pharmaceuticals will be driven by enhanced access to healthcare facilities and the rising per capita income. Additionally, the exports are likely to increase, given the production-linked incentive (PLI) for pharmaceuticals announced by the government.
Biotech	India's biotech industry is experiencing robust growth, driven by its strategic focus on biopharmaceuticals and agricultural biotechnology. In the field of biopharmaceuticals, the country has made significant strides in research, development, and manufacturing, positioning itself as a key player on the global stage.
Active Pharmaceutical Ingredients (APIs)	India, the third-largest global API producer, commands an 8% share and manufactures 500+ different APIs, contributing 57% to the WHO prequalified list. With a projected CAGR of 13.7% over the next four years as per Invest India, the Indian API market is expected to benefit from a robust domestic market, advanced chemical industry, skilled workforce, and competitive operational costs.
Nutraceuticals / Dietary Supplements	The Indian dietary supplements consumption has grown significantly in the past few years. This is attributable to sedentary & stressful lifestyles, difficulty in maintaining balanced diets due to hectic schedules, deteriorating soil quality, increasing consumption of junk food, etc. The increasing awareness of the benefits of dietary supplements and the penetration of healthcare facilities have led to the emergence of this trend. Overall, the consumption of dietary supplements is expected to continue its growth trajectory in India, driven by an expanding consumer base and increasing affordability due to growth in per capita income.
Scientific and Laboratory Research	India's scientific and laboratory research market is undergoing substantial expansion, fuelled by a surge in investments in Research and Development (R&D) activities. This trend reflects a broader commitment to fostering a robust research ecosystem, positioning India as a key player in the global scientific community and contributing to advancements across various scientific disciplines.
Personal Care	The Indian personal care market is experiencing significant growth driven by two key factors, rising disposable income and urbanization. As more consumers in urban areas experience an increase in income, there is a corresponding surge in their purchasing power and a growing inclination toward personal care products.
Animal Health	India's animal health market is witnessing robust growth, propelled by two primary factors, the steady rise in pet ownership and a dedicated emphasis on enhancing animal healthcare within both the pet care and livestock sectors.
Metallurgy	Growth in manufacturing, coupled with initiatives that promote domestic production and industrialization, propels the metallurgy market. "Make in India" specifically encourages indigenous manufacturing, attracting investments, and fostering the

Industry	Growth Prospects and Drivers
	development of the metallurgical sector as a crucial component of the country's economic expansion and self-sufficiency goals
Food and Beverages	Domestic food & beverage consumption is on the rise, driven by the rising population, the increasing per capita income, and consumer spending. The Indian F&B industry is expected to witness robust growth in the near-medium term supplemented by a young population, rising consumer spending, growing penetration of restaurants, Quick Service Restaurants (QSRs) in Tier 2 and Tier 3 cities, and the advent of user-friendly delivery apps and tech-enabled networks. Furthermore, the increasing tendency to dine out in India's cities among all economic classes, and not restricting dining out to special occasions, will further support the industry.
Electronics	India's electronics market is experiencing notable growth, primarily driven by a surge in consumer electronics consumption and strategic government initiatives like "Digital India." The increasing adoption of digital technologies and the rising internet penetration have fuelled the demand for electronic devices and components
Precision Industrial Products	The precision industrial products market in India is propelled by the surging demand for high-precision components from the manufacturing sector.

Source: CareEdge Report

Some of the new products proposed to be launched are as follows:

New Products	Industry	Estimated Global Market Size CY 2022 (USD mn)	Forecast CAGR from CY 2022 to CY2025
Glycinate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Food and Beverages and Animal Feed	344	7.6%
Succinate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing and Food	144	24.6%
Gluconate	Pharmaceuticals, Nutraceuticals, Food and Beverages and Construction	698	5.7%

Notes: Estimates and forecasts based on CareEdge Report.

Focus on import substitution and increasing exports.

Our Company has a global footprint of exports to over twenty (20) countries. For the three months period ended June 30, 2023 and the Fiscal 2023, 2022 and 2021, our revenue from exports amounted to ₹ 66.07 million, ₹ 242.68 million, ₹ 192.95 million and ₹ 128.43 million, accounting for 25.46%, 25.39%, 23.46% and 20.56% of our revenue from operations, respectively.

The rising adoption of China-Plus-One strategy globally, where-in companies are minimizing their dependency on China and are diversifying their production and supply chains to other countries to minimize the risk of supply chain disruptions witnessed in China during the pandemic. This is expected to result in larger export opportunities for the domestic chemical industry. Further, the changing regulatory and policy landscape in China has also prompted global companies to diversify supply risks. Indian manufacturers are expected to be key beneficiaries of this as very few countries other than India have the requisite scale, skilled labour availability, government support, etc., to cater to the large-scale requirements. Further, as global companies look to enhance supply chain resilience by diversifying manufacturing into other countries, India is expected to be an attractive option owing to its strategic location, large domestic market and skilled manpower. (Source: CareEdge Report)

Improve cost management and operational efficiencies.

We plan to enhance our profitability by continuing to improve our cost management and operational efficiencies, including:

Process efficiency: We strive to improve the production process to optimize our processes and achieve higher efficiency with the support of our RDT team.

Scale efficiency: We seek to leverage economies of scale through capacity expansion. We incur certain fixed overheads, including utilities, salaries and depreciation of assets in our operations. We aim to increase capacity utilization, which can reduce fixed overheads per product, increase our profitability and improve our operating leverage.

Product mix: We intend to focus on high-value, low-volume products within our product portfolio. We also seek to benefit from optimizing our product selection strategy.

The proposed new unit four at GIDC - Dahej II Industrial Area will further enhance our operational efficiencies with the deployment of modern and automated machinery and other facilities for our employees and management.

Our Business Operations

Products

Our Company has an experience of over fifteen (15) years in manufacturing, sale and export of a wide range of High Purity Specialty Fine Chemicals. Our products have distinguished chemical purities having a broad range of applications in industries like active pharmaceutical ingredients, pharmaceuticals formulations, biotech, nutraceuticals, personal care, agrochemicals, scientific and laboratory research, metallurgy, animal health, among others.

As on the date of this Draft Red Herring Prospectus, our product portfolio comprised of over 185 products. The table below sets forth our products and industry size information where such chemicals are used, global and Indian market size (volumes and value):

Global Market Size:

Product Group	Industry Application	Global Market Size Value CY 2022 (USD Bn)	Volume Metric	Global Market Size Volume CY 2022	Global Market Size Volume CY 2025E	Volume CAGR (CY2022-2025E)
Citrate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Chemicals, Metallurgy, Food & Beverages, Animal Health, Metallurgy, Electronics, Personal Care	1.13	Thousand Tonnes	582	783	10.4%
Carbonate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Metallurgy, Paints and Coatings, Electronics, Personal and Home Care, Animal Health, Agrochemicals, Paper & Pulp, Construction,	66.00	Million Tonnes	189	248	9.4%

Product Group	Industry Application	Global Market Size Value CY 2022 (USD Bn)	Volume Metric	Global Market Size Volume CY 2022	Global Market Size Volume CY 2025E	Volume CAGR (CY2022-2025E)
	Automotive, Glass & Ceramics,					
Phosphate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Metallurgy, Electronics, Personal and Home Care, Animal Health, Agrochemicals	134.00	Million Tonnes	222	257	4.9%
Acetate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food, Personal Care, Agriculture, Chemicals	1.00	Million Tonnes	1.8	2.2	6.4%
Sulphate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food, Personal Care, Agriculture, Chemicals	20.90	Million Tonnes	207	227	3.2%
Gluconate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food & Beverages, Metallurgy, Construction, Electronics, Personal Care	0.70	Thousand Tonnes	848	992	5.3%
Glycinate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food & Beverages, Metallurgy	0.34	Million Tonnes	41	50.6	7.3%
EDTA Derivatives	Pharmaceuticals, Nutraceuticals, Biotech, Scientific Research and Laboratory Testing, Food, Personal Care, Industrials, Metallurgy,	0.57	Thousand Tonnes	229	278	6.6%

Product Group	Industry Application	Global Market Size Value CY 2022 (USD Bn)	Volume Metric	Global Market Size Volume CY 2022	Global Market Size Volume CY 2025E	Volume CAGR (CY2022-2025E)
	Electronics, Personal Care					
Succinate	Pharmaceuticals, Nutraceuticals, Biotech, Scientific Research and Laboratory Testing, Food, Personal Care	0.14	Thousand Tonnes	68.3	138.4	26.6%

Source: CareEdge Report

Indian Market Size:

Product Group	Industry Application	Indian Market Size Value CY 2022 (USD Mn)	Volume Metric	Indian Market Size Volume CY 2022	Indian Market Size Volume CY 2025E	Volume CAGR (CY2022-2025E)
Citrate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Chemicals, Metallurgy, Food & Beverages, Animal Health, Metallurgy, Electronics, Personal Care	62	Thousand Tonnes	41	55	9.7%
Carbonate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Metallurgy, Paints and Coatings, Electronics, Personal and Home Care, Animal Health, Agrochemicals, Paper & Pulp, Construction, Automotive, Glass & Ceramics,	1,900	Million Tonnes	5.9	7.8	10.1%
Phosphate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Metallurgy, Electronics, Personal and Home Care, Animal Health, Agrochemicals	8,600	Million Tonnes	16.5	19.3	5.4%

Product Group	Industry Application	Indian Market Size Value CY 2022 (USD Mn)	Volume Metric	Indian Market Size Volume CY 2022	Indian Market Size Volume CY 2025E	Volume CAGR (CY2022-2025E)
Acetate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food, Personal Care, Agriculture, Chemicals	42	Thousand Tonnes	82	101	7.1%
Sulphate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food, Personal Care, Agriculture, Chemicals	612	Million Tonnes	6.7	7.7	4.8%
Gluconate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food & Beverages, Metallurgy, Construction, Electronics, Personal Care	23	Thousand Tonnes	20	24.6	7.1%
Glycinate	Pharmaceuticals, Nutraceuticals, Scientific Research and Laboratory Testing, Biotech, Food & Beverages, Metallurgy	7.6	Thousand Tonnes	949	1,268	10.1%
EDTA Derivatives	Pharmaceuticals, Nutraceuticals, Biotech, Scientific Research and Laboratory Testing, Food, Personal Care, Industrials, Metallurgy, Electronics, Personal Care	27	Thousand Tonnes	12.2	14.8	6.6%
Succinate	Pharmaceuticals, Nutraceuticals, Biotech, Scientific Research and Laboratory Testing, Food, Personal Care	6.3	Thousand Tonnes	3.3	6.8	27.8%

Source: CareEdge Report

Product Profile

Our range of more than 185 High Purity Speciality Fine Chemicals spans across the family of phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others. Our Company performs reaction and purification process to manufacture the High Purity Speciality Fine Chemicals as per industry standards and custom manufacturing specifications of our customers. Our products were majorly exported to over 20 countries including USA during the three months ended June 30, 2023, Fiscal 2023, 2022 and 2021, in addition to the domestic markets.

High Purity Speciality Fine Chemicals

Our High Purity Speciality Fine Chemicals have use in various application industries including active pharmaceutical ingredients, pharmaceuticals formulations, biotech, nutraceuticals, personal care, agrochemicals, scientific and laboratory research, metallurgy, animal health, among others. Our revenue from operations for the three months period ended June 30, 2023, Fiscal 2023, 2022 and 2021 was ₹ 259.52 million, ₹ 955.78 million, ₹ 822.47 million and ₹ 624.60 million respectively.

Manufacturing Process

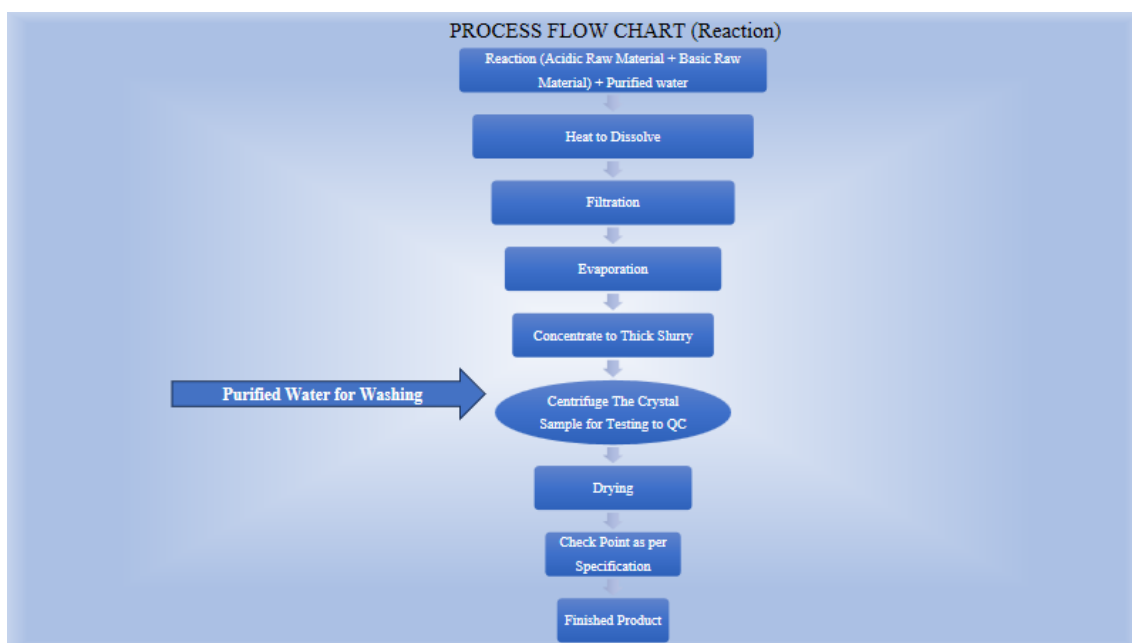
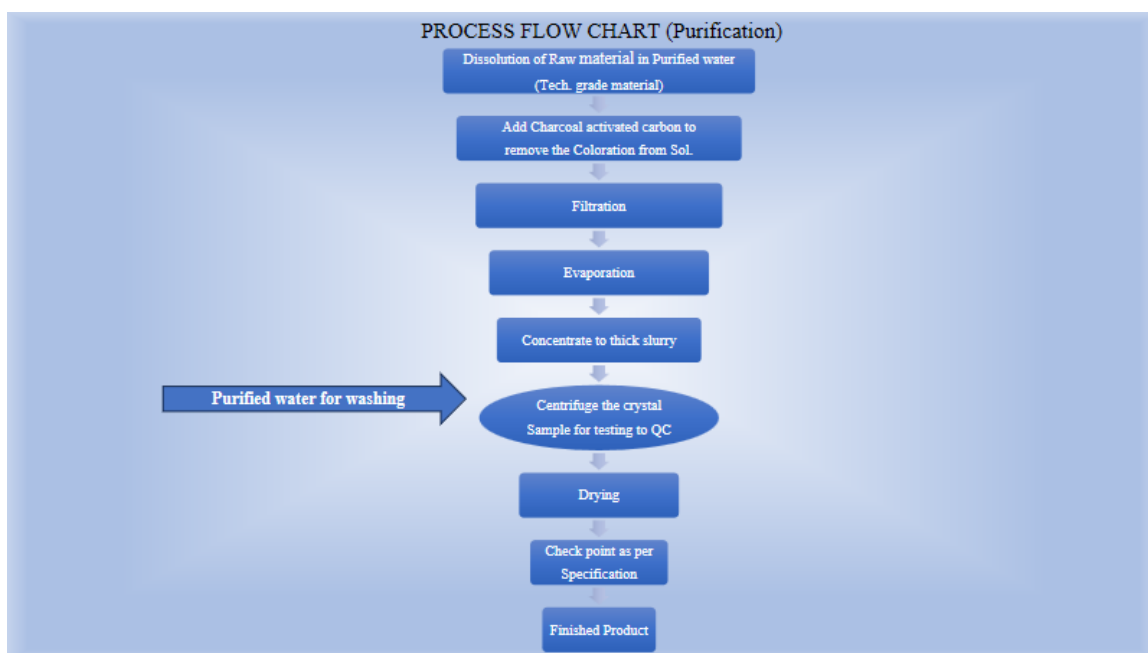
As on June 30, 2023, we have manufactured and sold over 185 products. We generally manufacture our products in various grades and in particle sizes ranging from 10 mesh to 100 mesh as required by our customers.

The raw materials are either charged in a reaction vessel or are purified as per product specifications, capacity and design based on the type of reaction. The exothermic reaction starts when all technical requirements are met. Once the initial stage is completed, the product is analysed as per product parameters and then sent for further filtration, concentration, crystallisation and centrifugation. The product then undergoes reaction, filtration, concentration and crystallisation (*where required*), centrifugation, drying (*which also involves milling and sifting*) and packing. The final product is tested to ensure it meets all specifications before it is supplied to our customers.

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Set out below is the flow chart setting out our manufacturing processes:

Process Flow Chart



Our custom manufacturing involves research and study of the compound, the process of which is developed in-house as per the required specifications of our customers. Our team works closely with customers or prospective customers to provide solutions tailored to meet specific customer requirements. Our experienced team oversees

the entire process of manufacturing from the lab scale to plant scale. We then scale-up our operations from the R&D stage to large-scale manufacturing.

Our arrangement with our customer requires us to (i) strictly adhere to the technical specifications mentioned therein; (ii) sample analysis of the products being manufactured and (iii) provide our customers the right to audit our Manufacturing Facilities for quality assurance, internal policies and systems. In addition, our arrangement typically requires our customers to place purchase orders that include the quantity, rate per unit, minimum order quantities for the products, payment terms and delivery schedule.

Manufacturing Facilities

We have three Manufacturing Facilities, at Vadodara located in Gujarat which cater to the domestic as well as export markets.

Unit - I

Our Unit - I is located at Block No. 284, Village Dabhasa, Padra, Vadodara, Gujarat. The facility comprises of two manufacturing blocks with an aggregate installed production capacity of 2,400 TPA along with the facility to store finished goods and raw materials. This unit is equipped with glass-lined and stainless-steel reactors with switch capacities ranging between 1 kl to 5 kl, along with various filtration, centrifugation and drying system.

Unit - II

Our Unit – II is located at located at Block No. 138, Village Ekalbara, Padra, Vadodara, Gujarat. The facility has an aggregate installed production capacity of 3,744 TPA along with the facility to store finished goods and raw materials. This unit is equipped with glass-lined and stainless steel reactor switch capacities ranging between 1.5kl and 3kl, along with various pulverisers, filtration, centrifugation and drying system.

Unit – III

Our Unit – III is located at Block No. 353, Village Ekalbara, Padra, Vadodara, Gujarat. This facility has an aggregate installed production capacity of 1,098 TPA along with the facility to store finished goods and raw materials. This unit is equipped with glass-lined and stainless-steel reactor switch capacities ranging between 1.5 kl and 3 kl, along with various pulverisers, filtration, centrifugation and drying system.

Plant & Machinery

We have installed S.S. Reactors, Glass Line Reactors, Crystallizer, centrifugation system (S. S. & Rubber), Tray Dryer, Glass Line Vessel, Boiler, Vibro Shifter, Multimill, Blender, Stabler Filter, Scrubber, Demineralization water treatment plant, Cooling Tower, Reverse Osmosis plant, Water Vacuum Ejector, Evaporator, Pulveriser, Sparkler Filter, P.P Filter and other supporting machinery and equipment, among others at our Manufacturing Facilities.

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Capacity and Capacity Utilization

The following table sets forth certain information relating to our installed capacity and capacity utilisation for each of our Manufacturing Facilities for the periods indicated:

Particulars	June 30, 2023*	Fiscal 2023	Fiscal 2022	Fiscal 2021
Unit – I				
Installed Capacity (in TPA)	2,400	2,400	2,400	2,400
Capacity Utilized (in TPA)	595.10	1,835.54	1,858.02	2,053.88
Utilized Capacity (in %)	24.80%	76.48%	77.42%	85.58%
Unit – II				
Installed Capacity (in TPA)	3,744	3,744	3,744	3,744
Capacity Utilized (in TPA)	609.64	2,529.16	2,434.42	2,604.16
Utilized Capacity (in %)	16.28%	67.55%	65.02%	69.56%
Unit – III[#]				
Installed Capacity (in TPA)	1,098	1,098	1,098	1,098
Capacity Utilized (in TPA)	89.30	503.90	847.72	1,016.56
Utilized Capacity (in %)	8.13%	45.89%	77.21%	92.58%

As certified by M/s. Adharshila Associates, Independent Chartered Engineer by way of their certificate dated October 4, 2023

*Utilized Capacity is not annualised

Note: - Capacity working is based on 3 shift of 8 hours each per day for 300 days of a year.

For details in relation to risk associated with Unit III please see, “Risk Factors - We may not be able to expand our production capacity and products manufactured at Unit – III as GPCB has restricted any such expansion in the area where our Unit – III is situated i.e. Padra region, near Vadodara, Gujarat. We may therefore have to limit the use of this manufacturing facility.” on page 33.

Manufacturing Facilities Certifications

We have obtained the following certifications for our Manufacturing Facilities:

Nature of Certification	Manufacturing Facility
FSSC 22000 (Version 5)	Unit I
ISO 9001:2015	Unit I and Unit II
ISO 14001:2015	Unit I and Unit II
ISO 45001:2018	Unit I and Unit II
Kosher	Unit I
Halal	Unit I
GMP	Unit I
GLP	Unit I

Procurement and Raw Materials

During the six months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, our cost of materials consumed was ₹ 117.65 million, ₹ 580.12 million, ₹ 479.84 million and ₹ 343.63 million, which was 45.33%, 60.70%, 58.34%, and 55.02% of our revenue from operations, respectively.

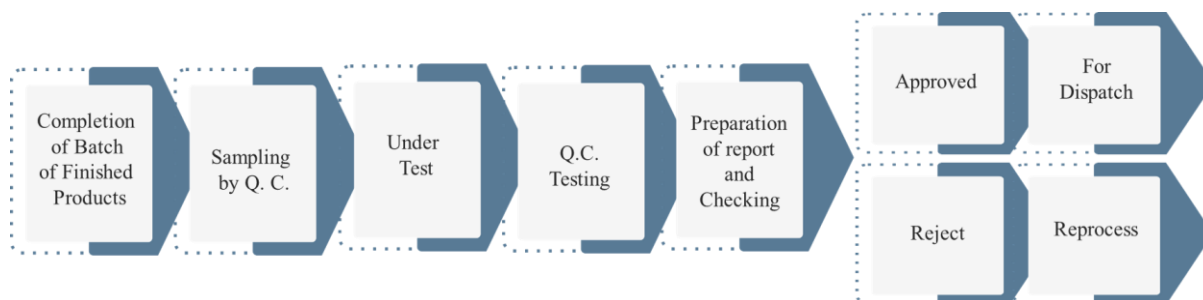
The primary raw materials essential to the manufacturing High Purity Speciality Fine Chemicals are citric acid, phosphoric acid, potassium hydroxide, sodium hydroxide, soda ash, potassium carbonate, sodium bicarbonate, acetic acid and among others. We procure our raw materials essential for manufacturing our products from domestic vendors on a purchase order basis. We usually do not enter into long-term supply contracts with any of our raw material 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 materials suppliers. The terms and conditions on warranties for product quality and return policy are set forth in the purchase orders. Pricing and production

volumes are negotiated for each purchase order. There are no contractual commitments other than those set forth in the purchase orders. The purchase price of our raw materials generally follows market prices.

Inventory Management

Our finished products and raw materials are stored on-site at our Manufacturing Facilities. We typically keep around 15 days and 7 days (based on inventory levels in Fiscal 2023) of inventory of raw materials and work in progress respectively at our facilities, whereas the finished goods are in stock for a period of around 40 days (based on inventory levels in Fiscal 2023). These inventory levels are planned based on existing and expected orders, which we anticipate due to our long-standing relationships with customers.

Flow Chart – Quality Check and Assurance

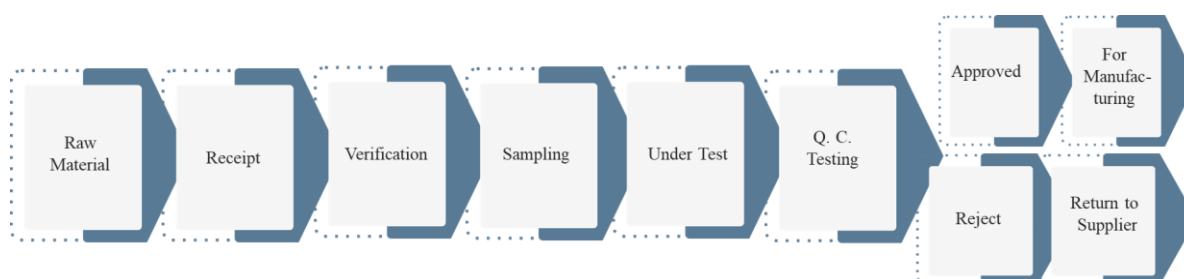


Logistics

We transport our raw materials and our finished products by air, road and sea. Depending on the terms of supply, the raw material is delivered by our suppliers on *to pay* or *paid* basis or we rely on third party logistic companies and freight forwarders for the delivery of our raw materials. Depending on the terms of sales, we also rely on third party logistic companies to deliver our finished products on *to pay* or *paid* basis. For exports, we sell our finished products on a cost, insurance and freight basis (CIF) or freight on board basis (FOB). For exports, our freight forwarders co-ordinate with the shipping line to file and release the necessary bills of lading or waybills. We do not have formal contractual relationships with such logistic companies and freight forwarders. The pricing for freight is based on a periodic rate contract from such third-party logistic companies and freight forwarders.

On receipt of the raw materials, our personnel employed in RDT Laboratory tests the materials and after such testing of the materials, they confirm whether the material is to be approved or rejected. The unloading of the raw materials in our Manufacturing Facilities is always done under supervision of the personnel.

Flow Chart - RM Inspection



Production Management

Our production and inventory levels of our finished products are planned on a monthly basis based on the order received from our customers, inquiries received, open orders and our demand anticipation for regular products. We make periodic adjustments to the production schedule and volumes, as required. We closely supervise our daily production and aim to maintain suitable inventory levels of raw materials and finished goods at each of our Manufacturing Facilities.

Pricing

We determine the prices for our High Purity Speciality Fine Chemicals based on various parameters, including market demand, transportation costs, cost of raw materials, supply time and credit terms. Further, the final sale price is typically pre-determined before release of purchase order by our customers. Pricing details are typically stated in USD/INR per unit in the purchase orders, as applicable.

Utilities

As part of our manufacturing operations, we require a steady and abundant supply of power and steam. Our power requirements of our Manufacturing Facilities are met through local state power grid, Madhya Gujarat Vij Company Limited. We also maintain diesel generator set at our Unit I, as a precaution against any disruption in power supply. We use briquettes as fuel for our boilers for generating steam in our Manufacturing Facilities.

We use ground water for meeting our water supply requirements of our Manufacturing Facilities. We have also installed a RO plant and demineralised water plant at our Manufacturing Facilities. The ground water is first treated in the RO plant and then demineralised before it can be used during our manufacturing process in our Manufacturing Facilities.

Sales and Marketing

Our business operations and products primarily cater to the business-to-business segment. We maintain direct contact with majority of our customers which allows us to understand the technical needs and specifications of our customers as well as their future requirements.

We have in-house teams which look after the sales and marketing of our products. Our in-house sales team focus on involving our production planning department to work closely with our customers or prospective customers to design products tailored to meet their specific requirements.

Our Company is a member of Pharmexcil, Chemexcil, Vadodara Chambers of Commerce and Industries, Exim Club of Vadodara. We also participated in various domestic and international industry specific exhibitions, such as, the Convention on Pharmaceutical Ingredients (CPhI), iPex & Chemexpo.

Research, Development and Testing (RDT)

We continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands. Our product development efforts are led by our Promoter and Chairman & Managing Director, Jogindersingh Jaswal who has an experience of more than 30 years in product development. We rely on the skill of our RDT personnel for our growth and continued success of our business. Our RDT team consist of 16 science graduates and post-graduates who carry out various tests to ensure that the quality of our products meets customer requirements and established industry standards.

We believe that maintaining high standards of quality of our product portfolio is critical to our continuous growth. We have built a robust process and systems to cover all areas of our business from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Through our regular internal audits, we ensure that our Manufacturing Facilities are in compliance with domestic and international standards in order to produce quality products.

Our products adhere to global quality standards. Our chemicals go through various quality checks at various stages including random sampling check. Our customers also generally audit and approve our Manufacturing Facilities and our manufacturing processes to ensure that we adhere to their quality standards. Our employees undergo training programs designed to update them on latest quality norms and standards.

We ensure quality checks at each stage of our manufacturing process to ensure that the desired quality is achieved. The final product is cleared for dispatch only after the quality control and quality assurance department provide clearances of the batch as per customer specification. To ensure that the products dispatched or sold by our Company is of desired quality, we maintain controlled samples for a period of 3 and 5 years for every batch which is manufactured and dispatched.

Information Technology

We are currently using Tally Prime with various functions to track procurement, sales, inventory management, taxation management, payments to vendors and receivables from customers. Our Company has entered into annual maintenance contract with third party vendors for managing its IT infrastructure to support our business requirements.

Environment, Health and Safety

We are subject to central and state laws and government regulations in India, including in relation to environmental, health, safety, and labour welfare. These laws and regulations impose controls on air and water discharge and effluent treatment, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and sale of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We work to ensure a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. In addition, we have also installed firefighting equipment.

We have an arrangement with EICL for the use of its common effluent treatment plant for treatment of our waste water generated during the manufacturing process in our Unit I and II. It enables us to carry out complete treatment of waste water which is generated in our Manufacturing Facilities.

Human Resources

We place importance on developing our human resources. As of September 30, 2023, we had 54 employees (excluding trainees) and 155 contract workers. A combination of full-time employees and contract personnel gives us flexibility to run our business efficiently. We undertake selective and need-based recruitment to maintain the size of our work force, which may otherwise decline as a result of attrition and retirement of employees.

The following table provides information about our full-time employees and contract workers, as on September 30, 2023:

Department / Team	Number of Employees & Workers
Production (inclusive of contract workers)	169
Purchase, Accounts and Finance	4
Sales and Marketing	2
RDT	16
Dispatch/ Store/ Packing	7
Utility, Administration and Human Resources	11
Total	209

Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our business and operations.

Competition

Our competition varies by market, geographic areas and type of product. As a result, to remain competitive in our markets, we need to continuously strive to reduce costs of production, transportation and distribution and improve our operating efficiencies. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships.

We face competition primarily from domestic and international companies including Canton Laboratories Private Limited (India), Jost Chemicals, USA, (Czech Republic), Budenheim (Germany), Jianguo Food Ingredients

Co. Ltd. (China), CFL Chemische Fabrik Lehrte GmbH & Co. KG (Germany) and Ichimaru Co. Ltd. (Japan), amongst others.

Insurance

Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our Manufacturing Facilities, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire and other perils and public liability insurance. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of cargos by road or rail. We have also maintained insurance policies for our vehicles.

These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Corporate Social Responsibility

As part of our Corporate Social Responsibility (“CSR”), we strive to take appropriate steps towards promotion of education. We have constituted a CSR committee as per the applicable laws. We have aligned our CSR programs with legal requirements under the applicable Indian laws. We have spent an amount of ₹ 2.89 million, ₹ 2.62 million and ₹ 2.07 million towards our CSR initiatives during Fiscals 2023, 2022 and 2021, respectively.

Intellectual Property

As on the date of this Draft Red Herring Prospectus, our corporate logo “**KRONOX**” is registered under class 1 with the Trademark Registry. For details of approvals relating to intellectual property, see “*Government and Other Approvals*” and “*Risk Factor – Any failure to protect or enforce our rights to own or use trademarks and brand name and identity could have an adverse effect on our business and competitive position.*” on pages 292 and 40, respectively.

Immovable Property

Our Company owns the following immovable properties:

Address of Premises	Purpose
Block No. 284, Village - Dabhasa, Taluka - Padra, District - Vadodara, 391 440, Gujarat, India	Unit I and Corporate Office
Block No. 138, Village - Ekalbara, Taluka - Padra, District - Vadodara, 391 440, Gujarat, India	Unit II
Block No. 353, Village - Ekalbara, Taluka - Padra, District - Vadodara, 391 440, Gujarat, India	Unit III and Registered Office
Plot No. D-2/17/1, Dahej-II Industrial Estate, Taluka - Vagra, District - Bharuch, Gujarat, India*	Proposed Unit

*We have acquired a land admeasuring to 19,213 sq. mtrs. at GIDC - Dahej II Industrial Estate. Consideration for this land has already been paid and an application for assignment of the land to our Company has been made to GIDC.

KEY REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details, please see “Government and Other Approvals” on page 288.

The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

Industry Specific Laws

Drugs and Cosmetics Act, 1940 (the “Drugs Act”), the Drugs and Cosmetics Rules, 1945 (the “Drugs Rules”)

The Drugs Act regulates the import, manufacture, distribution, and sale of drugs and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, 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. It further mandates that every person holding a license to maintain such records that may be open to inspection by relevant authorities. Any violations of the 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 Drugs Rules lay down the functions of the central drugs laboratory established under Section 6 of the Drugs Act. Under the Drugs Rules, an import license is required for importing drugs. The form and manner of application for import license has also been provided under the Drug Rules.

Legal Metrology Act, 2009 (the “Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 lay down specific provisions for e-commerce transactions and online sale of packaged commodities.

The Legal Metrology Act seeks to establish and enforce standard 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. The Legal Metrology Act and rules framed thereunder regulate inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state government under the Legal Metrology Act. Any non-compliance or violation under the Legal Metrology Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Environment Laws

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

The Environment (Protection) Act, 1986 (the “EPA”)

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

Environment (Protection) Rules, 1986 (the “Environment Rules”)

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board an environmental statement for that financial year in the prescribed form.

Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Wastes Rules”)

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

Labour Laws

In addition to the aforementioned legislations which are applicable to our Company, other legislation that may be applicable to the operations of our Company include:

- The Factories Act, 1948
- The Gujarat Factories Rules, 1963
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Employees’ Compensation Act, 1923
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
- The Employees’ State Insurance Act, 1948
- The Industrial Disputes Act, 1947
- The Industrial Employment (Standing orders) Act, 1946
- The Child Labour and Adolescent (Prohibition and Regulation) Act, 1986

- The Maternity Benefit Act, 1961
- The Apprentices Act, 1961
- The Payment of Gratuity Act, 1972
- The Payment of Bonus Act, 1965
- The Minimum Wages Act, 1948
- Payment of Wages Act, 1936
- The Equal Remuneration Act, 1976
- The Code on Wages, 2019*
- The Occupational Safety, Health and Working Conditions Code, 2020**
- The Industrial Relations Code, 2020***
- The Code on Social Security, 2020****
- The Trade Unions Act, 1926
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Industrial Employment Standing Order Act, 1946 and The Sales Promotion Employees (Conditions of Service) Act, 1976
- The Unorganised Workers Social Security Act, 2008

*The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

****The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate 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 (Regulation of Employment and Condition of Service) Act, 1996.

Intellectual Property Laws

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for trademark protection under the Trade Marks Act, 1999. The above enactment provides for protection of intellectual property by imposing civil and criminal liability for infringement.

Regulations Related to Foreign Trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 (the "**Foreign Trade Act**"). The Foreign Trade Act has empowered the Central Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments especially that of the Director-General to advise the Central Government in formulating import and export policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number (IEC) from the Director-General or the authorized officer. The act provides the balancing of all the budgetary targets in terms of imports and exports. The principal

objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

Foreign Exchange Regulations

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended (“FEMA”) read with the applicable Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 as amended (“FEM Rules”). FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. The DPIIT makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEM Rules. In case of any conflict, the FEM Rules prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT issued the FDI Policy which consolidates the policy framework on FDI issued by DPIIT, in force on October 15, 2020 and reflects the FDI policy as on October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DPIIT. As per the FDI Policy, 100% FDI is permitted in our Company under the automatic route, subject to compliance with prescribed conditions. In this Offer, foreign investment is limited to investments by FPIs and NRIs. For further details, please see “*Offer Procedure*” on page 317.

Other Laws

Additionally, we are required to comply with other legislations such as the laws governing taxation aspects of our business. Goods and services tax legislations (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to us.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated on November 18, 2008 as 'Kronox Lab Sciences Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 18, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2019 and a fresh certificate of incorporation dated June 11, 2019 was issued by the Registrar of Companies, Ahmedabad consequent upon conversion, recording the change in the name of our Company to 'Kronox Lab Sciences Limited'. The Company's Corporate Identity Number is U24117GJ2008PLC055460.

Change in the Registered Office of our Company

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date	Details of change in the address of the Registered Office	Reason for change
May 8, 2019	The registered office of our Company was changed from 1st Floor, 3 Shreeji Complex, Opposite Indra Complex, Manjalpur, Vadodara – 390 011, Gujarat, India to Block No.138, Village Ekalbara, Padra, Vadodara – 391 440, Gujarat, India.	Operational efficiency
September 25, 2023	The registered office of our Company was changed from Block No. 138, Village Ekalbara, Padra, Vadodara – 391 440 Gujarat, India. to Block No. 353, Village Ekalbara, Padra, Vadodara – 391 440, Gujarat, India.	Operational efficiency

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association is:

- To carry on the business as manufacturers, processors, importers, exporters, dealers, traders, sellers, buyers, consigners, consignees, agents, stockiest, suppliers of all kinds, types and nature of high purity fine chemicals, inorganic salt, metallic salt, specialty chemicals, dyes intermediates, pigments and auxiliaries, intermediates, heavy chemicals , water treatments chemicals, pigments, dyes, organic and inorganic chemicals, alkalies, compounds of any type, plasticizers, plastic chemicals, gum, allied chemicals and wetting detergents.

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing business.

Amendments to our Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of change/ shareholders' resolution	Nature of amendment
March 31, 2015	Clause V(A) of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 25,00,000 divided into 2,50,000 equity shares of ₹ 10 each to ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each.
May 25, 2019	Clause I of our Memorandum of Association was amended to reflect the change in our name from 'Kronox Lab Sciences Private Limited' to 'Kronox Lab Sciences Limited' pursuant to conversion of our Company from a private limited company into a public

Date of change/ shareholders' resolution	Nature of amendment
	limited company.
August 30, 2019	Clause V(A) of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each to ₹ 15,00,00,000 divided into 1,50,00,000 equity shares of ₹ 10 each.
April 16, 2022	Clause V(A) of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 15,00,00,000 divided into 1,50,00,000 equity shares of ₹ 10 each to ₹ 30,00,00,000 divided into 3,00,00,000 equity shares of ₹ 10 each.
June 27, 2022	Clause V(A) of our Memorandum of Association was amended to reflect the increase in authorised share capital from ₹ 30,00,00,000 divided into 3,00,00,000 equity shares of ₹ 10 each to ₹ 54,00,00,000 divided into 5,40,00,000 equity shares of ₹ 10 each.

Major events and milestones

The below table below sets forth some of the major events in the history of our Company:

Calendar Year	Event
2008	Incorporation of our Company
2009	Commencement of manufacturing of High Purity Speciality Fine Chemicals at Unit I.
2010	Commenced export of products
2011	Our Company expanded our Unit I for manufacturing of High Purity Speciality Fine Chemicals used in pharmaceutical and nutraceutical industries.
2011	Our Company started manufacturing High Purity Speciality Fine Chemicals to cater to the solar industries.
2014	Acquisition of land along with factory shed for Unit II
2014	Receipt of FSSC 22000 certification from ISOQAR, UK for our Unit I.
2015	Commencement of manufacturing operations at Unit II.
2015	Obtained FSSAI certification for manufacturing of food grade fine chemicals and ingredients.
2017	Receipt of ISO 14001: 2015 & OHSAS 18001:2007 certification in respect of Unit I.
2019	Started manufacturing of products at our Unit III.
2022	Acquisition of land along with factory shed for Unit I and Unit III
2023	Acquisition of land for proposed Unit IV

Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

Time/cost overrun

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

Launch of key products or services, capacity/ facility, location of plants, entry in new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, see “*Our Business*” beginning on page 158.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks.

Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.

Except as stated below, our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years:

- (a) Our Company has acquired a land along with factory shed upon which our Unit I located, for total consideration of ₹ 20.00 million by way of sale deed dated February 14, 2022 from one of our promoter group entity, M/s. P. K. Capital & Investment.
- (b) Our Company has acquired a land along with factory shed for our Unit III, for total consideration of ₹ 66.50 million by way of sale deed dated May 27, 2022 from one of our Promoter group entity, Chemsol Specialities LLP.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiary of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

Joint Ventures of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

Summary of key agreements

Inter-se Arrangement/ Agreement

There are no other subsisting inter-se agreements/ arrangements and clauses / covenants which are material and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also, that there are no other subsisting agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements or agreements of similar nature, as on the date of this Draft Red Herring Prospectus.

Details of shareholders' agreement

There are no subsisting shareholders' agreements as on the date of this Draft Red Herring Prospectus.

Other material agreements

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Draft Red Herring Prospectus.

Agreements with our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters or any other employee

As on the date of this Draft Red Herring Prospectus there are no agreements entered into by our Key Managerial Personnel or Senior Management Personnel or Directors or Promoters or any other employee of our Company, 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 dealings in the securities of our Company.

Guarantees given by the Promoter(s) offering its shares in the offer for sale

Our Promoters, who are also the Promoter Selling Shareholders, have not given any material guarantee to any third party, as of the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and our Articles of Association require that our Board shall comprise of not less than three (3) Directors and not more than fifteen (15) Directors, provided that our Shareholders may appoint more than fifteen (15) Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus, our Company currently has six (6) Directors, out of which three (3) are Executive Directors and three (3) are Independent Directors out of which one (1) is a women Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as of the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p>Jogindersingh Jaswal</p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Date of birth:</i> April 2, 1966</p> <p><i>Address:</i> F-80, Pujan Tenament, Duplex, Darbar Chokdi, Manjalpur, Vadodara 390 011, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> for a period of three years w.e.f. September 1, 2022</p> <p><i>Period of directorship:</i> Since incorporation of our Company</p> <p><i>DIN:</i> 02385809</p>	57	Nil
<p>Ketan Ramani</p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Date of birth:</i> September 15, 1968</p> <p><i>Address:</i> 10B, Adinath Duplex, Near Jain Temple, Manjalpur, Vadodara 390 011, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> for a period of three years w.e.f. September 1, 2022</p> <p><i>Period of directorship:</i> Since incorporation of our Company</p> <p><i>DIN:</i> 01510833</p>	55	1. P. K. Chlorochem Private Limited
<p>Pritesh Ramani</p>	48	Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><i>Designation:</i> Whole-time Director</p> <p><i>Date of birth:</i> May 20, 1975</p> <p><i>Address:</i> 3, Krupal Society-1, Near Deep Chamber Manjalpur, Vadodara 390 011, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> for a period of three years w.e.f. September 1, 2022</p> <p><i>Period of directorship:</i> Since incorporation of our Company</p> <p><i>DIN:</i> 02392939</p>		
<p>Satish Kumar</p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> March 25, 1965</p> <p><i>Address:</i> K. No. 2014, Sector – 44 C, Chandigarh 160 047, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> for a period of five years w.e.f. August 23, 2022</p> <p><i>Period of directorship:</i> Since August 23, 2022</p> <p><i>DIN:</i> 09397588</p>	58	1. Blocktech Brew Private Limited
<p>Krutika Negandhi</p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> September 17, 1987</p> <p><i>Address:</i> B-17/164, GIDC Colony, GIDC Road, Makarpura Road, Vadodara 390 010, Gujarat, India</p> <p><i>Occupation:</i> Profession</p> <p><i>Term:</i> for a period of five years w.e.f. August 23, 2022</p> <p><i>Period of directorship:</i> Since August 23, 2022</p> <p><i>DIN:</i> 09703512</p>	36	Nil
<p>Parth Shah</p>	35	Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> December 14, 1987</p> <p><i>Address:</i> 1-B, Shantinagar Society, Near Urmi Char Rasta, Alkapuri, Vadodara 390 007, Gujarat, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> for a period of five years w.e.f. August 23, 2022</p> <p><i>Period of directorship:</i> Since August 23, 2022</p> <p><i>DIN:</i> 09708808</p>		

Confirmations:

- None of the Directors is categorized or are on the RBI list of Wilful Defaulters or Fraudulent Borrowers.
- None of our Directors are declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange(s), during the term of his/her directorship in such company.
- None of our Directors, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by 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 any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Brief profiles of our Directors

Jogindersingh Jaswal is one of the Promoters and is the Managing Director of our Company. He has been a director of our Company since incorporation. He has obtained bachelor's degree in science from Panjab University. Previously, he has worked with Ranbaxy Laboratories Limited and Ranbaxy Fine Chemicals Limited from the year 1994 till 2001. He has over three (3) decades of experience in chemical industry. He looks after production, quality control and human resource activities in our Company.

Ketan Ramani is one of the Promoters and Whole-time Director of our Company. He has been a director of our Company since incorporation. He is a commerce graduate from M. S. University, Baroda and has also completed post graduate certificate course in Industrial Purchasing and Material Management from the Maharaja Sayajirao University of Baroda. He has over three (3) decades of experience in the chemical industry. He oversees finance, purchase and administration in our Company.

Pritesh Ramani is the one of the Promoters and Whole-time Director of our Company. He has been a director of our Company since incorporation. He holds bachelor's degree in science from South Gujarat University. He has over two (2) decades of experience in the chemical industry. He looks after sales and marketing in our Company.

Satish Kumar has been appointed as Independent Director of our Company w.e.f. August 23, 2022. He holds a bachelor's degree in science from Panjab University. He has also worked with Hindustan Uniliver Limited, Ranbaxy Laboratories Limited and Kanta Electricals India Limited.

Krutika Negandhi has been appointed as Independent Director of our Company w.e.f. August 23, 2022. She is a member of the Institute of Chartered Accountants of India. She holds a bachelor's and master's degree in commerce from the Maharaja Sayajirao University of Baroda. She is a practicing Chartered Accountant. She has a work experience of over five (5) years and have expertise in the field of accounting, auditing and tax advisory.

Parth Shah has been appointed as Independent Director of our Company w.e.f. August 23, 2022. He holds a bachelor's degree in commerce and bachelor's degree in law (Special) from the Maharaja Sayajirao University of Baroda. He holds post graduate diploma in taxation laws and practice from the Maharaja Sayajirao University of Baroda. Presently, he is a practising advocate and has an experience of over a decade in the field of tax consulting and law.

Relationships between our Directors and Key Managerial Personnel

Other than Ketan Ramani and Pritesh Ramani who are brothers, none of our Directors are related to each other or to any other Key Managerial Personnel and Senior Management Personnel.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our directors have been nominated, appointed or selected as director or member of senior management pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

Pursuant to our Articles of Association and in accordance with the provisions of the Companies Act, our Shareholders have passed a special resolution in their meeting held on August 24, 2022, authorizing our Board to borrow, for and on behalf of our Company, from time to time, any sum or sums of monies, in one or more tranches, which may exceed the aggregate of the paid up share capital and free reserves of our Company, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 5,000 million, including the money already borrowed by our Company.

Terms of appointment of our Executive Directors

Jogindersingh Jaswal – Chairman and Managing Director

Jogindersingh Jaswal has been a director of our Company since its incorporation. He was re-appointed as Chairman and Managing Director pursuant to a Board resolution dated August 1, 2022 and pursuant to a shareholders resolution dated August 9, 2022 for a period of three (3) years from September 1, 2022. Further, pursuant to an employment agreement dated September 22, 2023, Jogindersingh Jaswal is entitled to the following remunerations and other employee benefits which shall not exceed ₹ 2.00 million per month:

Sr. No.	Category	Remuneration
1.	Monthly remuneration	₹ 1.60 million*
2.	Perquisites and allowances	<ul style="list-style-type: none"> • Provision for rent free furnished accommodation or house rent accommodation; • Provision of car for self and family for

		business and personal purpose; <ul style="list-style-type: none"> • Telecommunication facilities including telephone and fax; • Leave travel concession once a year for self and family; • Reimbursement of medical expenses for self and family; • Provision for car and drive and for expenses at residence such as gas, electricity, servant charges, etc; • Provision for personal accident insurance; • Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity as per the rules of our Company; and • Such other benefits as agreed from time to time.
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**Jogindersingh Jaswal by way of his letter dated October 31, 2023 has decided to take remuneration to the tune of ₹ 0.50 million per month with effect from November 1, 2023.*

Ketan Ramani – Whole-time Director

Ketan Ramani has been a director of our Company since its incorporation. He was re-appointed as Whole-time Director pursuant to a Board resolution dated August 1, 2022 and pursuant to a shareholders resolution dated August 9, 2022 for a period of three (3) years from September 1, 2022. Further, pursuant to an employment agreement dated September 22, 2023, Ketan Ramani is entitled to the following remunerations and other employee benefits which shall not exceed ₹ 2.00 million per month:

Sr. No.	Category	Remuneration
1.	Monthly remuneration	₹ 1.60 million*
2.	Perquisites and allowances	<ul style="list-style-type: none"> • Provision for rent free furnished accommodation or house rent accommodation; • Provision of car for self and family for business and personal purpose; • Telecommunication facilities including telephone and fax; • Leave travel concession once a year for self and family; • Reimbursement of medical expenses for self and family; • Provision for car and drive and for expenses at residence such as gas, electricity, servant charges, etc; • Provision for personal accident insurance; • Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity as per the rules of our Company; and • Such other benefits as agreed from time to time.

**Ketan Ramani by way of his letter dated October 31, 2023 has decided to take remuneration to the tune of ₹ 0.50 million per month with effect from November 1, 2023.*

Pritesh Ramani – Whole-time Director

Pritesh Ramani has been a director of our Company since its incorporation. He was re-appointed as Whole-time Director pursuant to a Board resolution dated August 1, 2022 and pursuant to a shareholders resolution dated August 9, 2022 for a period of three (3) years from September 1, 2022. Further, pursuant to an employment agreement dated September 22, 2023, Pritesh Ramani is entitled to the following remunerations and other employee benefits which shall not exceed ₹ 2.00 million per month:

Sr. No.	Category	Remuneration
1.	Monthly remuneration	₹ 1.60 million
2.	Perquisites and allowances	<ul style="list-style-type: none">• Provision for rent free furnished accommodation or house rent accommodation;• Provision of car for self and family for business and personal purpose;• Telecommunication facilities including telephone and fax;• Leave travel concession once a year for self and family;• Reimbursement of medical expenses for self and family;• Provision for car and drive and for expenses at residence such as gas, electricity, servant charges, etc;• Provision for personal accident insurance;• Contribution to Provident Fund, Superannuation Fund, Annuity Fund and Gratuity as per the rules of our Company; and• Such other benefits as agreed from time to time.

**Pritesh Ramani by way of his letter dated October 31, 2023 has decided to take remuneration to the tune of ₹ 0.50 million per month with effect from November 1, 2023.*

Independent Directors

Our Independent Directors will be entitled to receive ₹ 5,000 as sitting fees for attending meetings of the board and committee meetings pursuant to a resolution passed by the board of directors of our Company dated October 28, 2023.

Further, our Non-Executive Director and Independent Directors may be paid reimbursement of expenses as permitted under the Companies Act and the SEBI LODR Regulations.

Remuneration/ Compensation of our Directors

Further, details of the remuneration/ compensation paid to our Executive Directors in the Fiscal 2023 are set forth below:

(in ₹ million)

Sr. No.	Name of the Director	Amount
1.	Jogindersingh Jaswal	19.20
2.	Ketan Ramani	12.60
3.	Pritesh Ramani	19.20

Our Company has not paid any sitting fees paid to our Independent Directors in the Fiscal 2023.

Remuneration paid or payable to our Directors from our Subsidiaries or associate companies

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or associate company.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

The Articles of Association of our Company do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name of the Director	Number of Equity Shares held	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)
Jogindersingh Jaswal	1,29,83,160	34.99	[●]
Ketan Ramani	1,29,81,540	34.99	[●]
Pritesh Ramani	1,11,29,580	30.00	[●]

Interest of Directors

All our Executive Directors may be deemed to be interested to the extent of remuneration received from our Company. All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other reimbursement of expenses, if any, payable to them by our Company. For further details, see “*Restated Financial Statements*” and “*Capital Structure*” beginning on pages 215 and 64, respectively.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Offer and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see “*Capital Structure*” beginning on page 64.

Some of our Directors may hold positions as directors on the board of directors of Promoter group companies and Group Company. In consideration for their services, they may be paid managerial remuneration/ sitting fees in accordance with the provisions of the applicable law.

Some of our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners. For further details, see “*Our Business*” beginning on page 158.

As on the date of this Draft Red Herring Prospectus, except for Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani, who are Directors and Promoters of our Company, none of our other Directors are interested in the promotion or formation of our Company. For further details, see “*Our Promoters and Promoter Group*” beginning on page 208.

Except as disclosed in the sections titled “*Our Business*” and “*Restated Financial Statements*” beginning on pages

158 and 215, respectively of this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired prior to the date of this Draft Red Herring Prospectus.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company except for the acquisition of land along with factory shed by our Company for our Unit III, for total consideration of ₹ 66.50 million by way of sale deed dated May 27, 2022 from Chemsol Specialities LLP in which our Directors, Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani are partners.

Further, except in the ordinary course of business and as stated in “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256, and to the extent set out above under “– *Interests of Directors*”, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building.

Further, except in the ordinary course of business and as stated in “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256, and to the extent set out above under “– *Interests of Directors*”, our Directors do not have any other interest in our business.

Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI pursuant to this Offer.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name of the Director	Date of change	Reason
Satish Kumar*	August 23, 2022	Appointment as an Independent Director
Krutika Negandhi*	August 23, 2022	Appointment as an Independent Director
Parth Shah*	August 23, 2022	Appointment as an Independent Director
Nilesh Shah	August 1, 2022	Resignation as an additional Independent Director
Lopa Modi	August 1, 2022	Resignation as an additional Independent Director
Deepali Ramani	August 1, 2022	Resignation as an additional Independent Director
Nilesh Shah	July 2, 2022	Appointment as an additional Independent Director
Lopa Modi	July 2, 2022	Appointment as an additional Independent Director
Deepali Ramani	July 2, 2022	Appointment as an additional Independent Director

*Satish Kumar, Krutika Negandhi and Parth Shah were regularised in shareholders meeting dated August 24, 2022.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof. As on the date of filing this Draft Red Herring Prospectus, our Company currently has six (6) Directors, out of which three (3) are Executive Directors and three (3) are Independent Directors out of which one (1) is a women Independent Director.

Committees of our Board

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following below mentioned Board committees. In addition to these, our Board may from time to time, constitute committees for various functions:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders’ Relationship Committee;
- (d) Corporate Social Responsibility Committee; and
- (e) IPO Committee

Audit Committee

The Audit Committee was last re-constituted by a resolution of our Board dated October 28, 2023. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Krutika Negandhi	Chairperson	Independent Director
Parth Shah	Member	Independent Director
Ketan Ramani	Member	Whole-time Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee shall meet at least four times a year with a maximum interval of 120 days between two meetings of the Audit Committee.

The scope and function of the Audit Committee, adopted pursuant to a resolution of our Board dated October 28, 2023, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice;
4. to secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
2. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
3. Approval of payment 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; and
 - h. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
5. Reviewing, with the management, the quarterly and 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 issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
24. Carrying out any other function as may be required / mandated as per the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws; and
25. the Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial information and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration committee was last re-constituted by a resolution of our Board dated October 28, 2023. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Parth Shah	Chairperson	Independent Director
Krutika Negandhi	Member	Independent Director
Satish Kumar	Member	Independent Director

The Nomination and Remuneration Committee shall meet at least once a year.

The scope and function of the Nomination and Remuneration Committee, adopted pursuant to a resolution of our Board dated October 28, 2023, is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

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 (“**Remuneration Policy**”).

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;
2. Formulation of criteria for evaluation of independent directors and the Board;
 3. Devising a policy on Board diversity;
 4. 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 and carrying out evaluation of every director’s performance (including independent director);
 5. Analysing, monitoring and reviewing various human resource and compensation matters;
 6. Deciding 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;
 7. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
 8. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
 9. Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 10. Reviewing and approving the Company’s compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 11. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
 12. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
 13. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority. The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

Stakeholders’ Relationship Committee

The Stakeholders’ Relationship Committee was last re-constituted by a resolution of our Board dated October 28, 2023. The Stakeholders’ Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders’ Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Krutika Negandhi	Chairperson	Independent Director
Jogindersingh Jaswal	Member	Chairman and Managing Director
Pritesh Ramani	Member	Whole-time Director

The Stakeholders’ Relationship Committee shall meet at least once a year.

The scope and function of the Stakeholders' Relationship Committee, adopted pursuant to a resolution of our Board dated October 28, 2023, is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
2. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities;
3. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
4. Review of measures taken for effective exercise of voting rights by shareholders;
5. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
6. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority. The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was last re-constituted by a resolution of our Board dated August 23, 2022. The current constitution of the Corporate Social Responsibility committee is as follows:

Name of Director	Position in the Committee	Designation
Ketan Ramani	Chairperson	Whole-time Director
Parth Shah	Member	Independent Director
Jogindersingh Jaswal	Member	Chairman and Managing Director

The scope and function of the Corporate Social Responsibility Committee, adopted pursuant to a resolution of our Board dated August 23, 2022, is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and
7. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

(a) IPO Committee

The member of the IPO Committee are:

Name of Director	Position in the Committee	Designation
Jogindersingh Jaswal	Chairperson	Chairman and Managing Director
Ketan Ramani	Member	Whole-time Director
Pritesh Ramani	Member	Whole-time Director

The IPO committee was constituted by our Board at their meeting held on November 1, 2023. The terms of reference of the IPO Committee of Our Company include the following:

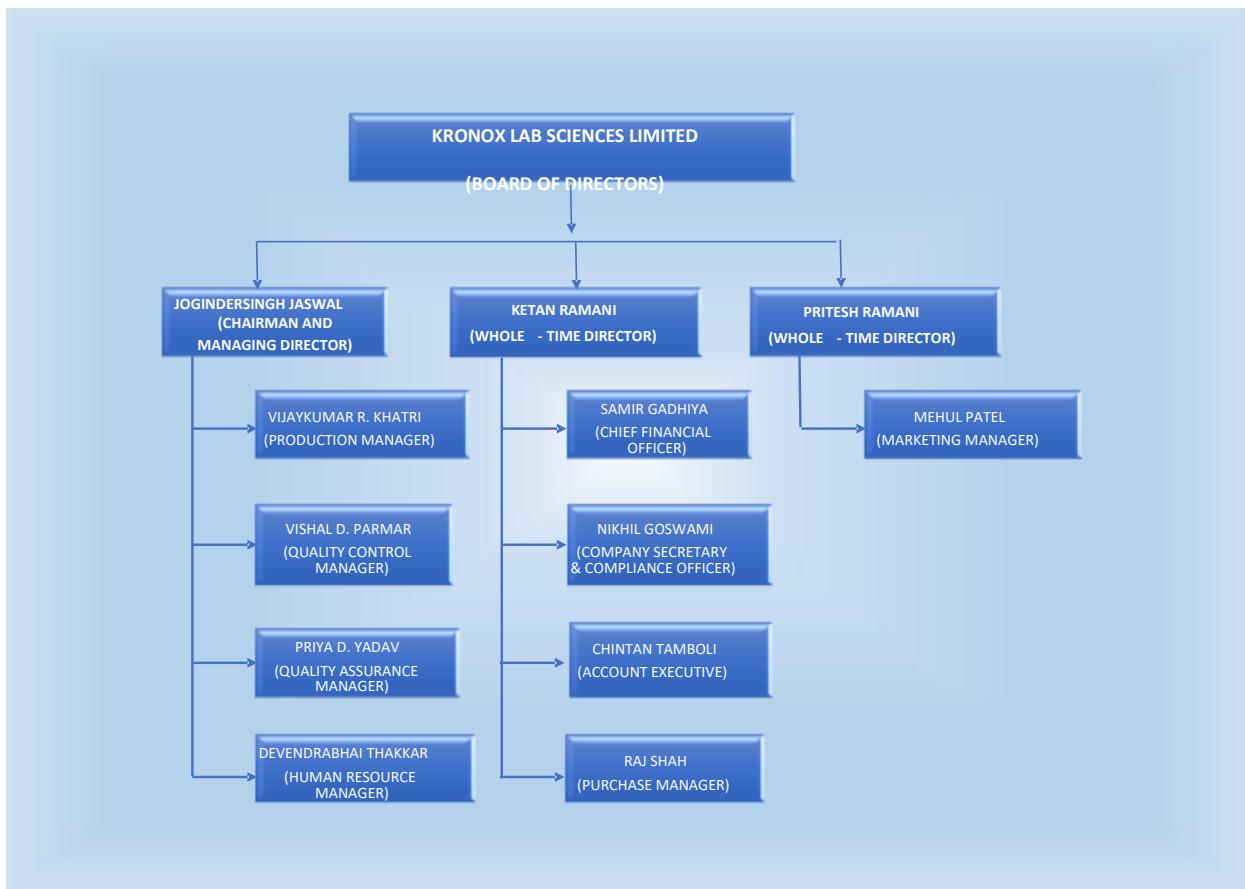
1. To decide, negotiate and finalize, in consultation with the book running lead manager appointed in relation to the Offer (the “**BRLM**”), all matters regarding the Offer for Sale of Equity Shares by the Promoter Selling Shareholders of the Company in the Offer, as maybe decided by the Board, including entering into discussions and execution of all relevant documents with Investors;
2. To amend the terms of participation by the Promoter Selling Shareholders in the Offer for Sale;
3. To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the Promoter Selling shareholders for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;
4. To decide on other matters in connection with or incidental to the Offer, timing, pricing and terms of the Equity Shares, the Offer price, the price band, the size and all other terms and conditions of the Offer including the number of Equity Shares to be offered and transferred in the Offer, the bid / Offer opening and bid/Offer closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor investors in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer and to constitute such other committees of the Board, as may be required under Applicable Laws, including as provided in the SEBI Listing Regulations;
5. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, SEBI, the RoC and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications/amendments as may be required in the draft red herring prospectus (the “**DRHP**”), the red herring prospectus (the “**RHP**”) and the Prospectus as applicable;
6. To finalize, settle, approve, adopt and file in consultation with the BRLM where applicable, the DRHP, the RHP the Prospectus, the preliminary and final international wrap and any amendments (including dating of such documents), supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
7. To invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
8. To approve the relevant restated financial statements to be issued in connection with the Offer;
9. To appoint and enter into and terminate arrangements with the BRLM, and appoint and enter into and terminate arrangements in consultation with the BRLM with underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, public offer account bankers to the Offer, sponsor bank, legal advisors, auditors, independent chartered accountants, advertising agency, Registrar to the Offer, depositories, custodians, grading agency,

monitoring agency, industry expert, credit rating agencies, printers, and any other agencies or persons or intermediaries whose appointment is required in relation to the Offer including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLM and negotiation, finalization, execution and, if required, amendment or termination of the Offer agreement with the BRLM;

10. To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
11. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, ad agency agreement, agreements with the Registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the Registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLM and any other agencies/intermediaries in connection with the Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
12. To authorize the maintenance of a register of holders of the Equity Shares;
13. To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
14. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
15. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
16. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
17. To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
18. To approve code of conduct as may be considered necessary or as required under Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
19. To implement any corporate governance requirements that may be considered necessary by the Board or the any other committee or as may be required under the Applicable Laws, including the SEBI Listing Regulations and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
20. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company or the Registrar to the Offer to sign all or any of the afore-stated documents;
21. To authorize and approve notices, advertisements in relation to the Offer, in accordance with the SEBI ICDR Regulations and other Applicable Laws, in consultation with the relevant intermediaries appointed for the Offer;
22. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLM;

23. To do all such acts, deeds and things as may be required to dematerialize the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;
24. To make applications for listing of the Equity Shares in one or more stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
25. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the Offer and matters incidental thereto as it may deem fit;
26. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, undertakings, certificates, consents and authorities as may be required from time to time in relation to the Offer or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;
27. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the Board or any other committee thereof may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board or any other committee thereof shall be conclusive evidence of their authority in so doing;
28. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
29. To approve the list of 'group companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
30. To withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLM; and
31. To delegate any of its powers set out under (1) to (31) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

Management Organisation Chart



Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

In addition to, Managing Director and Whole-time Directors, whose details are provided in “*Our Management - Brief profiles of our Directors*” on page 191, the details of our other Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Samir Gadhiya is the Chief Financial Officer of our Company w.e.f. November 1, 2023. He was associated with our Company as a Purchase Manager till April 2023. He holds bachelor’s degree in commerce from the Maharaja Sayajirao University of Baroda. He holds master’s degree in business administration from Sikkim Manipal University. In our Company, he has over six (6) years of experience in functions such as purchases, accounting and taxation. He oversees functions such as accounting, finance and taxation in our Company. He received a gross compensation of ₹ 0.41 million from our Company in Fiscal 2023 in capacity of Purchase Manager.

Nikhil Goswami is the Company Secretary and Compliance Officer of our Company. He is a member of the Institute of Company Secretaries of India. He also holds bachelor’s degree in commerce from the Maharaja Sayajirao University of Baroda. Before his association with our Company, he has worked with Welterman International Limited. He has an experience of in the matters related to corporate governance and secretarial compliances. As he was appointed during the Financial Year 2024, no remuneration was paid or payable to him in Financial Year 2023.

Senior Management Personnel

Vijaykumar Khatri is appointed as the Production Manager in our Company with effect from June 15, 2011. He holds bachelor’s degree in science from Gujarat University. He has over twenty (20) years of experience in chemical industry. He has previously worked with Indian Chem-Port. He received a gross compensation of ₹ 0.54 million from our Company in Fiscal 2023.

Vishalkumar Parmar is appointed as the Quality Control Manager in our Company with effect from March 1, 2019. He holds bachelor’s degree in science from Gujarat University. He has over four (4) years of experience in chemical industry. He looks after quality control of our products in our Company. He received a gross compensation of ₹ 0.21 million from our Company in Fiscal 2023.

Mehul Patel is appointed as Marketing Manager in our Company with effect from April 1, 2015. He holds bachelor’s degree in commerce from University of The Maharaja Sayajirao University of Baroda. He holds master’s degree in business administration from University of Wales. He has more than twenty (20) years of experience in field of marketing. He received a gross compensation of ₹ 0.42 million from our Company in Fiscal 2023.

Raj Shah is appointed as the Purchase Manager in our Company with effect from April 10, 2023. He holds bachelor’s degree in business administration from Dr. Babasaheb Ambedkar Open University. He holds master’s degree in business administration from Gujarat Technological University. He looks after procurement of raw material in our Company. As he was appointed during the Financial Year 2024, no remuneration was paid or payable to him in Financial Year 2023.

Priya Yadav is appointed as the Quality Assurance Manager in our Company with effect from January 03, 2022. She holds bachelor’s degree in science from U.P. Rajarshi Tandon Open University Allahabad. She has done post-graduation in Quality Control from Cheminformatic Institute of Science Studies, Lucknow. She has more than seven (7) years of experience in field of marketing. She received a gross compensation of ₹ 0.50 million from our Company in Fiscal 2023.

Devendra Thakkar is appointed as the Human Resource Manager in our Company with effect from April 1, 2009. He is undergraduate. He has over three (3) decades of experience in Human resource. He received a gross compensation of ₹ 0.39 million from our Company in Fiscal 2023.

Chintan Tamboli is appointed as the Account Executive in our Company with effect from June 1, 2015. He holds bachelor’s degree in commerce from Janardan Rai Nagar Rajasthan Vidyapeeth. He has over eight (8) years of experience in field of accountancy. He received a gross compensation of ₹ 0.35 million from our Company in Fiscal 2023.

Family relationships with Directors, Key Managerial Personnel and Senior Management Personnel

Other than Ketan Ramani and Pritesh Ramani who are brothers, none of our Key Managerial Personnel and Senior Management Personnel are related to each other or to the Directors of our Company.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

Except as mentioned below, and as specified in “*Our Management - Changes to our Board in the last three years*” on page 196, there have been no changes in the Key Managerial Personnel and Senior Management Personnel in the last three years;

Name	Designation	Date of change	Reason
Samir Gadhiya	Chief Financial Officer	November 1, 2023	Appointment as Chief Financial Officer
Nikhil Goswami	Company Secretary	November 1, 2023	Appointment as Company Secretary
Ketan Ramani	Chief Financial Officer	October 31, 2023	Resignation as Chief Financial Officer
Aditya Patel	Company Secretary	October 31, 2023	Resignation as Company Secretary
Raj Shah	Purchase Manager	April 10, 2023	Appointment as Purchase Manager
Samir Gadhiya	Purchase Manager	April 16, 2023	Resignation as Purchase Manager
Priya Yadav	Quality Assurance-Manager	January 03, 2022	Appointment as Quality Assurance-Manager
Ketan Ramani	Chief Financial Officer	December 22, 2022	Appointment as Chief Financial Officer
Vijay Tamboli	Chief Financial Officer	December 22, 2022	Resignation as Chief Financial Officer
Aditya Patel	Company Secretary	July 21, 2022	Appointment as Company Secretary
Vijay Tamboli	Chief Financial Officer	July 21, 2022	Appointment as Chief Financial Officer
Dhruvina Chauhan	Quality Assurance - Manager	September 05, 2021	Resignation as Quality Assurance-Manager

Status of Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Service contracts with Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel have not entered into any service contracts with our Company which include termination or retirement benefits.

Retirement and termination benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, none of our Key Managerial Personnel and Senior Management Personnel is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

Other than the shareholding of our Managing Director and Whole-time Directors in our Company, as disclosed in section “*Capital Structure*” beginning on page 64, none of our other Key Managerial Personnel and Senior

Management Personnel hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and Senior Management Personnel for Financial Year 2023, which does not form part of their remuneration for such period.

Attrition rate of Key Managerial Personnel and Senior Management Personnel

The attrition rate of our Key Managerial Personnel and Senior Management Personnel is negligible as compared to the industry in which our Company operates.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company has no bonus or profit-sharing plan in which the Key Managerial Personnel and Senior Management Personnel participate.

Interest of Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service. The Executive Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

Employee Stock Option Plan

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan.

Payment or Benefit to officers of our Company (non-salary related)

No non-salary related amount or benefit has been paid or given within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management Personnel.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company are Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani. .

As on the date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 3,70,94,280 Equity Shares in our Company, representing 99.97% of the pre-offer issued, subscribed and paid-up Equity Share capital of our Company.

For further details of shareholding of our Promoters, please see “*Capital Structure*” beginning” on page 64.

A. Details of our Promoters are as follows:



Jogindersingh Jaswal

Jogindersingh Jaswal, born on April 2, 1966, aged 57 years, is a citizen of India. He resides at F-80, Pujan Tenament, Duplex, Darbar Chokdi, Manjalpur, Vadodara 390 011, Gujarat, India.

For the complete profile of Jogindersingh Jaswal, along with details of his educational qualifications, professional experience, position / posts held in the past, directorships held, roles and responsibilities, see "*Our Management – Board of Directors*" on page 189 of this Draft Red Herring Prospectus.



Ketan Ramani

Ketan Ramani, born on September 15, 1968, aged 55 years, is a citizen of India. He resides at 10B, Adinath Duplex, Near Jain Temple, Manjalpur, Vadodara 390 011, Gujarat, India

For the complete profile of Ketan Ramani, along with details of his educational qualifications, professional experience, position / posts held in the past, directorships held, roles and responsibilities, see "*Our Management – Board of Directors*" on page 189 of this Draft Red Herring Prospectus



Pritesh Ramani

Pritesh Ramani, born on May 20, 1975, aged 48 years, is a citizen of India. He resides at 3, Krupal Society-1, Near Deep Chamber, Manjalpur, Vadodara 390 011, Gujarat, India

For the complete profile of Pritesh Ramani, along with details of his educational qualifications, professional experience, position / posts held in the past, directorships held, roles and responsibilities, see "*Our Management – Board of Directors*" on page 189 of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number, bank account numbers, passport number, Aadhaar card number and driving license number of our Promoters, shall be submitted to Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, the shareholding of their relatives in our Company, or the shareholding of entities in which our Promoters are interested, in our Company. For further details of shareholding of our Promoters, see “*Capital Structure*” beginning on page 64.

For further details of interest of our Promoters in our Company, see “*Restated Financial Statements*” on page 215.

Our Promoters may also be deemed to be interested to the extent of remuneration, benefits/perquisites, reimbursement of expenses, sitting fees and commission payable to them as Directors on our Board. For further details, see “*Our Management*” beginning on page 189.

Further, our Promoters are also directors on the boards, or are shareholders, members or persons in control of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256.

Our Promoters do not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from 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, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, or other such transaction except for the following: (a) Our Company has acquired a land along with factory shed upon which our Unit I located, for total consideration of ₹ 20.00 million by way of sale deed dated February 14, 2022 from M/s. P. K. Capital & Investment in which our Promoter Group members, Rupal Ramani and Dipali Ramani are partners and (b) Our Company has acquired a land along with factory shed for our Unit III, for total consideration of ₹ 66.50 million by way of sale deed dated May 27, 2022 from Chemsol Specialities LLP in which our Promoter, Jogindersingh Jaswal, Ketan Ramani and Pritesh Ramani are partners.

Mr. Ashok Jaggi one of the members of the Promoter Group is interested to the extent of remuneration payable to him as employee of the Company.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify them as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

None of our Promoters have any interest in any ventures that is involved in any activities similar to those conducted by our Company.

Payment or benefits to our Promoters or our Promoter Group

Except as disclosed herein and as stated in “*Restated Financial Statements*” on page 215, there has been no payment or benefits by our Company to our Promoters or any of the members of the 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 benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

The remuneration to the Promoters is being paid in accordance with their respective terms of appointment. For further details see “*Our Management*” beginning on page 189.

Litigations involving our Promoters

There are no litigations or legal and regulatory proceedings involving our Promoters as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the three 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, see “*Our Business*” and “*Our Management*” on pages 158 and 189, respectively.

Material Guarantees

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.

Confirmations

Our Promoters and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of our Promoter Group have not been declared Fugitive Economic Offenders.

Our Promoter Group

In addition to the Promoters named above, the following individual and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

A. Immediate relatives of our Promoters

The individuals forming a part of our Promoter Group are as follows:

Name of the Promoter	Name of the Relative	Relationship with the Promoter
Jogindersingh Jaswal	Sarla Devi	Mother
	Anjukumari Jaswal	Spouse
	Surinder Kumar	Brother
	Nirmala Devi	Sister
	Sumana	Sister
	Kamlesh Kumari	Sister
	Ankit Jaswal	Son
	Archit Jaswal	Son
	Jamuna Devi	Spouse's mother
	Ashok Jaggi	Spouse's brother
	Anil Jaggi	Spouse's brother
	Raj Kumari	Spouse's Sister
Ketan Ramani	Rasilaben Ramani	Mother
	Rupal Ramani	Spouse
	Pritesh Ramani	Brother
	Dhruvil Ramani	Son
	Pooja Ramani	Daughter
	Chetan Gandhi	Spouse's brother
	Kamalkumar Gandhi	Spouse's brother
	Shailaben Vora	Spouse's sister
Daxaben Shah	Spouse's sister	

Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Charuben Shah	Spouse's sister
	Leena Shah	Spouse's sister
	Dipikaben Shah	Spouse's sister
	Jyotiben Sanghavi	Spouse's sister
Pritesh Ramani	Rasilaben Ramani	Mother
	Deepali Ramani	Spouse
	Ketan Ramani	Brother
	Krish Ramani	Son
	Mahendra Mehta	Spouse's father
	Praveena Mehta	Spouse's mother
	Sandeep Mehta	Spouse's brother
	Shweta Shah	Spouse's sister
	Jayshree Shah	Spouse's sister

B. The entities forming a part of our Promoter Group

The entities forming a part of our Promoter Group are as follows:

Companies

- P.K. Chlorochem Private Limited

Firms

- Chemsol Specialities LLP
- Ketan Vinodchandra Ramani (HUF)
- M/s. P K Capital and Investment

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations ‘group companies’ of our Company shall include (i) the companies (other than promoters(s) and our Subsidiaries) with which there were related party transactions, in accordance with Ind AS 24, as disclosed in the Restated Financial Statements; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board has considered and adopted a policy for identifying the group companies of our Company in accordance with the SEBI ICDR Regulations and for purpose of disclosure in this Draft Red Herring Prospectus by a board resolution dated November 1, 2023 (“**Materiality Policy**”).

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company has one (1) Group Company namely, P. K. Chlorochem Private Limited.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to P. K. Chlorochem Private Limited for the previous three financial years, extracted from its respective audited financial statements (as applicable) is available at the website indicated below.

Details of our Group Company

The details of P. K. Chlorochem Private Limited are provided below:

P. K. Chlorochem Private Limited (“P. K. Chlorochem”)

Corporate information

P. K. Chlorochem was incorporated on April 26, 2006, under the Companies Act, 1956 as a private limited company. The registered office address of FF-2, Shreeji Complex, Opp. Indra Complex, Manjalpur, Vadodara, Gujarat 390 011, India.

The CIN of P. K. Chlorochem is U24116GJ2006PTC048187.

Financial information

The financial information derived from the audited financial statements of P. K. Chlorochem for Fiscals 2023, 2022 and 2021 as required by the SEBI ICDR Regulations, are available on www.kronoxlabsciences.com.

Nature and extent of interest of our Group Company

In the promotion of our Company

Our Group Company does not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company

Our Group Company is not interested in the properties acquired by our Company in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits among the Group Company and our Company

By virtue of memorandum of association, our Group Company is authorised to do business activities similar to that of our Company. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and Our Group Company, see “*Restated Financial Statements – Note 33(G) - Related Party*”

Disclosures” beginning on page 256.

Related Business Transactions within our Group Company and significance on the financial performance of our Company

Except as disclosed in “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256, there are no related business transactions with our Group Company.

Litigation

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Company which will have a material impact on our Company.

Business interest of Group Company

Except in the ordinary course of business and as stated in “*Restated Financial Statements – Note 33(G) - Related Party Disclosures*” beginning on page 256, our Group Company does not have any business interest in our Company.

Confirmations

Our Group Company does not have any securities listed on any stock exchange. Further, our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder. The dividend distribution policy of our Company was approved and adopted by our Board on November 1, 2023 (the "**Dividend Distribution Policy**"). In terms of the dividend policy, the declaration and payment of dividend, if any, shall depend on a number of internal and external factors, which, inter alia, include (i) brand or business acquisitions, (ii) expected future capital/ expenditure requirements of our Company, (iii) additional investments in our Subsidiaries, and (iv) regulatory or statutory changes significantly affecting our business.

Our Company has not declared any dividends in: (i) the last three Fiscals (i.e. Fiscals 2023, 2022 and 2021); and (ii) the period between April 1, 2023 and the date of filing this Draft Red Herring Prospectus. There is no guarantee that any dividends will be declared or paid in the future. 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 upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements.*" on page 44.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

To,

**The Board of Directors,
Kronox Lab Sciences Pvt Ltd
Block No- 353, Vill. Dabhasa,
Taluka: Padra,
Dist : Vadodara
Gujarat-391440**

Dear Sirs,

1. We have examined the attached Restated Ind AS Summary Statements of **Kronox Lab Sciences Limited** (the “**Company**” or the “**Issuer**”) comprising the Restated Ind AS Statement of Assets and Liabilities as at 30 June, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, the Restated Ind AS Statement of Profits and Loss (including Other Comprehensive Income), Restated Ind AS Statement of Changes in Equity, Restated Ind AS Cash-flow Statement, the Summary Statement of Significant Accounting Policies and Other Explanatory Information Equity for three months period ended 30 June, 2023 and years ended on 31 March, 2023, 31 March, 2022 and 31 March, 2021, (collectively, the “Restated Standalone Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 18th November, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus, Red Herring prospectus (“RHP”) and the Prospectus (“Prospectus”), (DRHP, RHP and Prospectus, collectively the “Offer Documents”) in connection with its proposed Initial Public Offer (“IPO”) of equity shares of the Company, prepared in terms of the requirements of:
 - (a) a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (as amended and any rules issued there under (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

2. The Company's Board of Directors is responsible for the preparation of the Restated Ind AS Summary Statements for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat at Ahmedabad, the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), ("BSE" together with "NSE" are collectively referred to as the "Stock Exchanges") in connection with the Initial Public Offer. The Restated Ind AS Summary Statements have been prepared by the management of the Company on the basis of preparation stated in note no.1(B) to the Restated Ind AS Summary Statements.

The responsibility of the Board of Directors includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Ind AS Summary Statements. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Ind AS Summary Statements taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15th November, 2023 in connection with the IPO 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 Ind AS Summary Statements; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO of equity shares of the Company.

4. These Restated Ind AS Summary Statements have been compiled by the management from:
 - a) Audited special purpose interim financial statements of the Company as at and for the three months period ended June 30, 2023 prepared in accordance with Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time which have been approved by the Board of Directors at their meeting held on dated 18/11/2023.
 - b) Audited Standalone financial statements as at and for year ended March 31, 2023 prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on dated 06/09/2023.
 - c) Audited Standalone financial statements as at and for year ended March 31, 2022 prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted

in India, which have been approved by the Board of Directors at their meeting held on dated 01/08/2022.

d) Audited Standalone financial statements as at and for year ended March 31, 2021 prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on dated 14/07/2021.

5. For the purpose of our examination, we have relied on:
 - a). Auditors' report issued by us on the Special Purpose Interim Financial Statements of the Company as at and for the three months period ended June 30, 2023 as referred in Paragraph 4(a) above, on which we issued an unmodified opinion vide our report dated 18/11/2023.
 - b). Auditors' reports issued by us on the Financial Statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4(b) above, on which we issued an unmodified opinion vide our report dated 06/09/2023.
 - c). Auditors' reports issued by us on the Financial Statements of the Company as at and for the year ended March 31, 2022 and March 31, 2021 as referred in Paragraph 4(b), 4(c) above, on which we issued an unmodified opinion vide our reports dated 01/08/2022 and 14/07/2021 respectively.
6. Based on our examination and according to the information and explanations given to us we report that the Restated Ind AS Summary Statements:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the respective period/ financial years to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the respective period/ financial years.
 - b) do not contain any qualification requiring adjustments; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. The Restated Ind AS Summary Statements do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Ind AS financial statements and audited special purpose Ind AS financial statements mentioned in paragraph 4 above.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit report issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, Gujarat at Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent.

For Mahesh Udhwani and Associates
Chartered Accountants
(Firm Reg. No: 129738W)

Mahesh Udhwani
(Partner)
M No: 047328
UDIN: 23047328BGUTGY8676
Place: Vadodara
Date: 18/11/2023

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Assets and Liabilities

(Rs. in Million)

Particulars	Notes	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Assets					
I. Non-current assets					
(a) Property, plant and equipment	2	157.17	159.12	88.40	57.45
(b) Capital work-in-progress	3	-	-	-	3.99
(c) Right-of-use assets	4	-	-	24.59	34.43
(d) Financial assets					
(i) Investments	5	0.25	0.25	0.25	0.25
(ii) Other Financial Asset	6	95.75	35.75	9.75	15.75
(e) Deferred Tax Asset (net)	7	3.68	3.42	3.28	2.37
(f) Other non-current assets	8	-	-	-	0.01
		256.85	198.54	126.27	114.25
II. Current assets					
(a) Inventories	9	84.90	91.73	75.11	54.94
(b) Financial assets					
(i) Trade Receivables	10	183.40	185.51	258.01	154.43
(ii) Cash and cash equivalent	11	30.10	24.83	2.86	10.54
(iii) Bank balances other than(ii) above	11A	60.85	10.79	25.24	10.00
(iv) Other Financial Asset	12	13.58	23.51	74.02	25.98
(c) Other current assets	13	5.14	5.43	6.38	6.32
		377.97	341.80	441.61	262.21
Total assets		634.82	540.34	567.88	376.46
Equity and liabilities					
Equity					
(a) Equity share capital	14	371.04	371.04	2.41	2.41
(b) Other equity	15	139.40	75.75	401.12	265.73
Total Equity		510.44	446.79	403.53	268.14
Liabilities					
I. Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	16	-	-	4.72	-
(ii) Lease Liabilities	17	-	-	16.82	27.18
(b) Provisions	18	4.85	4.87	5.20	1.72
		4.85	4.87	26.74	28.90
II. Current liabilities					
(a) Financial liabilities					
(i) Borrowings	19	-	-	1.70	0.13
(ii) Lease Liabilities	20	-	-	10.36	8.90
(iii) Trade payables	21				
Total outstanding dues of micro enterprise and small enterprise		29.04	28.60	60.13	15.04
Total outstanding dues of creditors other than micro enterprise and small enterprise		51.19	49.50	55.08	50.50
(b) Other current liabilities	22	20.25	5.60	2.17	2.24
(c) Provisions	23	6.24	6.37	6.08	2.47
(d) Current Tax Liabilities (Net)	24	12.82	(1.39)	2.09	0.13
		119.53	88.68	137.61	79.41
Total equity and liabilities		634.82	540.34	567.88	376.46
Significant accounting policies	1				

The above statement should be read with Statement of Notes to the Restated Financial Statement
As per our attached report of even dates

**For Mahesh Udhwani & Associates,
Chartered Accountants
(Firm Regd.No.129738W)**

For and on behalf of the Board of Directors

Mahesh Udhwani
Partner
Membership No.047328
UDIN: 23047328BGUTGY8676
Place: Vadodara
Date : 18/11/2023

Jogindersingh Jaswal
(Managing Director)
DIN : 02385809

Ketan Ramani
(Whole-time Director)
DIN :01510833

Pritesh Ramani
(Whole-time Director)
DIN :02392939

Nikhil Goswami
CS & Compliance Officer

Samir Rajnikantbhai Gadhiya
Chief Financial Officer

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Profit and Loss

(Rs. in Million)

Sr. No.	Particulars	Notes	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	25	259.52	955.78	822.47	624.60
II	Other income	26	2.43	19.20	10.93	7.76
III	Total revenue		261.95	974.98	833.40	632.36
IV	Expenses					
	Cost of materials consumed	27	117.65	580.12	479.84	343.63
	Change in inventories of finished goods and Work in Progress	28	16.84	(31.30)	(5.84)	0.45
	Employee benefits expense	29	18.19	70.27	57.46	53.91
	Finance costs	30	-	0.93	4.05	3.82
	Depreciation and amortisation expenses	31	3.18	14.97	20.29	19.76
	Other expenses	32	21.66	116.73	94.05	78.58
	Total expenses		177.52	751.72	649.85	500.15
V	Profit/(Loss) before taxes		84.43	223.26	183.55	132.21
VI	Tax Expenses :					
	Current Tax		21.76	57.94	47.90	35.54
	Deferred Tax		(1.15)	(0.84)	(0.62)	(0.63)
VII	Profit/(Loss) for the year		63.82	166.17	136.27	97.30
VIII	Other Comprehensive Income					
	(A) Items that will not be reclassified to Statement of Profit and Loss					-
	(i) Defined benefit Plan liability / asset		0.71	2.80	(1.19)	0.14
	(ii) Tax impact on above item		(0.88)	(0.71)	0.30	(0.04)
	(B) Items that will be reclassified to Statement of Profit and Loss		-	-	-	-
	Total Other Comprehensive Income (After Tax)		(0.17)	2.10	(0.89)	0.11
IX	Total Comprehensive Income		63.65	168.26	135.39	97.40
X	Earning per Equity Share					
	Basic & Diluted (Amount in Rs.)	33(C)	1.72	4.31	3.49	2.40
	Notes to Accounts	1-34				

The above statement should be read with Statement of Notes to the Restated Financial Statement
As per our attached report of even date

**For Mahesh Udhwani & Associates,
Chartered Accountants
(Firm Regd.No.129738W)**

For and on behalf of the Board of Directors

Mahesh Udhwani
Partner
Membership No.047328
UDIN: 23047328BGUTGY8676
Place: Vadodara
Date : 18/11/2023

Jogindersingh Jaswal
(Managing Director)
DIN : 02385809

Ketan Ramani **Pritesh Ramani**
(Whole-time Director) (Whole-time Director)
DIN :01510833 DIN :02392939

Nikhil Goswami
CS & Compliance Officer

Samir Rajnikantbhai Gadhiya
Chief Financial Officer

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of Cash Flows

(Rs. in Million)

Particulars		For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net profit before tax	84.43	223.26	183.55	132.21
	<u>Adjustments for:</u>				
	Add : Depreciation and amortisation	3.18	14.97	20.29	19.76
	Interest Expenses	-	0.93	4.05	3.82
	Allowance for credit losses Financial Asset	-	(0.07)	(0.08)	0.02
	Interest Income	(1.48)	(4.25)	(3.20)	(2.78)
	Accrued Defined Benefit Plan Liability	0.70	2.81	2.54	1.37
	Dividend Income	-	(0.00)	(0.00)	(0.00)
	Gain on lease termination	-	(2.62)	-	-
	(Profit)/Loss on sales of assets	-	(0.11)	(0.26)	(0.27)
	Operating Profit before Working Capital Changes	86.83	234.92	206.89	154.14
	<u>Adjustments for:</u>				
	Trade Receivables	2.11	72.56	(103.50)	0.02
	Other Current Assets	0.30	0.94	(0.06)	3.95
	Inventories	6.84	(16.62)	(20.17)	(4.54)
	Non current assets	-	-	0.01	0.08
	Trade payables & Provisions	1.97	(37.15)	55.00	(4.18)
	Other Current Liabilities	28.85	(0.06)	(0.07)	(0.77)
	Cash Generated from Operations	40.07	19.67	(68.79)	(5.44)
	Less : Direct Taxes paid	21.76	57.94	47.90	35.54
	Net Cash generated from operating activities (i)	105.14	196.65	90.20	113.14
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(1.21)	(84.15)	(37.96)	(16.50)
	Bank Deposits (palced)/matured	(50.07)	15.52	(48.04)	(9.14)
	Security Deposits (placed)/matured	-	9.00	6.00	(7.50)
	Increase in Investment	-	-	-	-
	Sale of fixed assets	-	0.21	0.81	0.80
	Interest Income	1.48	4.25	3.20	2.78
	Dividend Income	-	0.00	0.00	0.00
	Net cash generated from investing activities (ii)	(49.80)	(55.17)	(75.99)	(29.56)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Interest Expense	-	(0.93)	(4.05)	(3.82)
	Proceeds from borrowings	-	-	6.29	(0.13)
	Repayment of other Financial Liabilities	-	(8.02)	(8.90)	(8.19)
	Buy Back of Shares	-	(125.00)	-	(58.81)
	Net cash generated from financial activities (iii)	-	(133.96)	(6.66)	(70.95)
	Net change in cash and cash equivalents (i+ii+iii)	55.34	7.52	7.56	12.63
	Cash and cash equivalents* at the beginning of the year	35.62	28.10	20.54	7.91
	Cash and cash equivalents at the end of the year*	90.96	35.62	28.10	20.54
	*Cash & cash equivalents includes:				
	Cash in hand	0.43	0.30	0.18	0.35
	Balances with Scheduled Bank	29.67	24.53	2.68	10.19
	Fixed Deposit With Banks(having remaining maturity period less than 3 months from the reporting date)	60.85	10.79	25.24	10.00

The above statement should be read with Statement of Notes to the Restated Financial Statement

As per our attached report of even dates

For Mahesh Udhwani & Associates

Chartered Accountants

(Firm Regd.No.129738W)

For and on behalf of the Board of Directors

Mahesh Udhwani
Partner
M. No 047328
UDIN: 23047328BGUTGY8676
Place:Vadodara
Date : 18/11/2023

Jogindersingh Jaswal
(Managing Director)
DIN : 02385809

Ketan Ramani **Pritesh Ramani**
(Whole-time Director) (Whole-time Director)
DIN :01510833 DIN :02392939

Nikhil Goswami
CS & Compliance Officer

Samir Rajnikantbhai Gadhiya
Chief Financial Officer

KRONOX LAB SCIENCES LIMITED
(Previously Known as KRONOX LAB SCIENCES PRIVATE LIMITED)
Block No. 138, Village Ekalbara, Padra, Vadodara
Gujarat - 391440

Summary statement of significant accounting policies and other explanatory information to the restated financial information

Note – 1:

A. Corporate Information

KRONOX LAB SCIENCES LIMITED (previously Known as KRONOX LAB SCIENCES PVT LTD) was incorporated on November 18, 2008 as a private limited company under Companies Act, 1956. The company has its registered office at Block No.138, Village Ekalbara, Padra Vadodara GJ 391440. The Company is engaged in the manufacturing of High Purity Fine, inorganic chemicals, phosphate and metallic chemicals. The CIN of the Company is U24117GJ2008PLC05460.

The company commenced its business activities in year 2008. In financial year 2018-19, the company changed its name from KRONOX LAB SCIENCES PRIVATE LIMITED to KRONOX LAB SCIENCES LIMITED and carried out its activities at three locations (Unit-1, 2 & 3) in Ekalbara village, Padra.

B. Summary of Significant Accounting Policies

1. Statement of compliance and Basis of preparation:

The Restated Financial Information comprise of the Restated Statement of Asset and Liabilities as at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021, Restated Statement of Profit and Loss (including other comprehensive income), Restated statement of Cash Flows and Restated Statement of Changes in Equity for three months period ended 30 June 2023 and years ended on 31 March 2023, 31 March 2022 and 31 March 2021 and the Summary Statement of Significant Accounting Policies and other explanatory information (hereinafter referred to as 'Restated Financial Information').

The Restated Financial Information has been approved by the Board of Directors of Kronox Lab Sciences Limited at their meeting held on 18th November, 2023 and has been specifically prepared for inclusion in the draft red herring prospectus to be filed by Kronox Lab Sciences Limited with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offer of equity shares ('IPO') of Kronox Lab Sciences Limited (referred to as the 'Issue'). The Restated Financial Information has been prepared by the management of Kronox Lab Sciences Limited to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the 'Act') as amended from time to time;

- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date ('SEBI ICDR Regulations'); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Compliance with Ind As:

The financial statements of company has been prepared in accordance with Indian Accounting standards (Ind AS), under the historical cost conversion on the accrual basis unless specifically stated otherwise. The Ind AS are prescribed under section 133 of the Companies Act, 2013 read with companies (Indian accounting standards) Rules, 2015, as amended and other provisions of the Act.

The Financial statements prepared for the FY 2021-22 are the first financial statement of the company under Ind AS financial year ending on 31/03/2022. The Company had restated financial statements for the FY 2020-21 and FY 2019-20 as per IND AS as comparative financial information. Accordingly, the date of transition to Ind AS is April 1, 2019, the adoption has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, which was the previous GAAP.

Basis of preparation:

The Restated Ind AS Statement of Assets and Liabilities of the Company as at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021 and the Restated Ind AS Statement of Profit and Loss, Restated Ind AS Statement of Changes in Equity and Restated Ind AS Statement of Cash Flows for the period ended 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021 (hereinafter collectively referred to as "Restated Ind AS Financial Information") have been prepared specifically for inclusion in the Draft Red Herring Prospectus (DRHP) to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering ("IPO")

The audited financial statements of the Company as at and for the three months period ended 30 June 2023 prepared in accordance with recognition and measurement principles under Indian Accounting Standard ('Ind AS') 34 "Interim Financial Reporting", specified under section 133 of the Act except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the exemption available to the Issuer under paragraph (A) (i) of clause 11(l) of part A of schedule VI of the SEBI ICDR Regulations, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on dated 18/11/2023.

The Restated Financial Information has been compiled by the management from audited financial statements of the Company as at and for the years/period ended at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021 prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

The Board of Directors approved the Restated Financial Statements as per the Ind AS, for the years / period ended on at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021 and authorised to issue the same vide resolution passed in the Board Meeting held on 18th November, 2023.

The Restated Financial Information have been prepared so as to contain information / disclosures and incorporating adjustments set out below in accordance with the SEBI ICDR Regulations:

a) Adjustments to the profits or losses of the earlier years and of the year in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those years /period would have been if a uniform accounting policy was followed in each of these years, if any;

b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the financial statements of the Group for the years/period ended and the requirements of the SEBI ICDR Regulations, if any; and

c) The resultant impact of tax due to the aforesaid adjustments, if any.

All amounts included in the Restated Financial Information are reported in Indian Rupees , which is also the Group's functional currency, and all the values are rounded to the nearest Million (INR 000,000), except otherwise indicated.

The Restated Financial Information have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and share based payments which have been measured at fair value, on an accrual basis of accounting.

A. Basis of measurement:

The Restated Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013. The exceptions to the same are:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of define benefit obligations.

B. Current and non-current classification of assets and liabilities:

The Assets and Liabilities and the Statement of Profit & Loss, including related notes, are prepared and presented as per the requirements of Schedule III (Division II) to the Companies Act, 2013. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

C. Use of judgements, estimates and assumptions:

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, noncurrent liabilities and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgements, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgements is included in relevant notes. Any revision to accounting estimates is recognized prospectively in current and future periods.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Financial Statements is included in the following:

Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment, assumptions and estimation uncertainties are provided here, whereas the quantitative break-ups for the same are provided in the notes mentioned below:

- Note 1(B)(3) - Useful life of depreciable assets, Property, Plant and Equipment and other intangible asset
- Note 7 - Recognition of tax expenses including deferred tax.
- Note 33(F) - Defined benefit obligation, key actuarial assumptions.
- Note 33(B) – Contingent Liabilities
- Note 9 - Valuation of Inventories.

3. Property, Plant and Equipment:

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE as on the transition date.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the Written down value method.

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use. Any profit or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Subsequent Costs:

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part

is derecognised. The cost of the day-to-day servicing the property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal:

An item of property, plant and equipment is derecognised upon the disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income / expenses in the statement of profit and loss.

Depreciation:

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with Ind AS 105 and the date that the asset is derecognised.

Depreciation on Property, Plant and Equipment is provided on the reducing balance method over the estimated useful life of the assets as prescribed under Schedule II to the Companies Act, 2013.

The management has estimated the useful life of the Tangible Assets as mentioned below:

Asset Classification	Years
Computer	3
Factory Buildings	30
Furniture & Fixtures	10
Lab Equipment	15
Office Equipment	15
Plant & Machineries	15
Vehicle	15
Factory Shed	30

Impairment of all non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount, Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4. Intangible Assets:

Recognition and measurement:

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually, or at the cash-generating unit level.

Subsequent measurement:

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization:

The useful lives of intangible sets are assessed as either finite or indefinite.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Disposal:

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

However, The Company does not have any Intangible Assets except a right-of-use asset (ROU) created in accordance with IND AS. For detail of ROU asset, please refer note no.6 below.

5. Investments and Deposits:

The total investments are carried at their actual amount of investment. Further, these investments are not held with a view earn contractual cash flow instead there are a type of membership deposit made. Hence, they do not classify as Financial Assets in accordance with IND AS.

6. Leases:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

 - #The Company has the right to operate the asset; or

 - #The Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets redetermined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option. In case of early termination of lease agreement, company will derecognise ROU asset and lease liability to reflect the partial or full termination of the lease and recognise gain or loss in P&L Account on such termination.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liability for the short-term leases that have lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments as an operating expense on a straight-line basis over lease term.

7. Financial Assets:

A. Fair Value Assessment:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined in such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

B. Subsequent Measurement:

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

C. Financial Assets measured at amortized cost:

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Trade Receivables:

Unconditional receivables are recognised as financial assets when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash. Further, the carrying amounts approximate fair value of these instruments.

D. Financial Assets at fair value through OCI('FVTOCI'):

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income ('OCI'). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss.

E. Financial Assets at fair value through profit or loss('FVTPL'):

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for

the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

F. Derecognition:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

G. Impairment of Financial Assets:

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

8. Financial Liabilities:

The company's financial liabilities include trade payable.

A. Initial recognition and measurement:

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognized in the Statement of Profit and Loss (if any).

B. Subsequent Measurement:

The subsequent measurement of financial liabilities depends upon the classification as described below: -

C. Financial liabilities classified as Amortized cost:

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit and Loss.

Trade Payables:

Unconditional payables are recognised as financial liabilities when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash. Further, the carrying amounts approximate fair value of these instruments.

D. Financial liabilities classified as fair value through profit and loss (FVTPL):

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Exports benefits are accounted for in the year of exports based on the eligibility and when there is certainty of receiving the same.

E. Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

F. Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

9. Cash Flows and Cash and Cash Equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However, Bank overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

10. Provisions and Contingent Liabilities and Contingent Assets:

The company recognizes a provision when there is a present obligation as a result of past event that requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are disclosed after careful evaluation by the management of facts and legal aspects of the matter involved.

Contingent Asset are neither recognized nor disclosed in the financial statements.

11. Revenue Recognition and Other Income:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Subsidy and incentive income from government authorities is booked on receipt basis.

Interest income or expense is recognised using the effective interest rate method. The "effective interest rate" is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

- the gross carrying amount of the financial assets;
- the amortized cost of the financial liability.

However, in case of interest income on fixed deposit with banks is booked as per the interest rate fixed by bank on such deposits.

12. Income Taxes:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

-When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss,

-Taxable temporary differences arising on the initial recognition of goodwill.

-Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses (including unabsorbed depreciation) can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each

reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax is also recognized in correlation to the underlying transaction reflected in OCI.

13. Inventories:

Raw materials, Work in Progress, Finished Goods and Packing Material are stated at lower of cost and net realizable value. For calculating inventories, the cost method for evaluation, it has been considered at FIFO Method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity.

14. Foreign Currency Transactions:

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

15. Employee Benefits:

Long-term Benefits:

Provident Fund - Defined Contribution Plan:

As the provisions of The Employees' Provident Fund and Miscellaneous Provisions Act & Employees State Insurance Act are applicable to the company. The Company's contribution paid/payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related services.

Gratuity - Defined Benefit Plans:

The company operates an unfunded defined benefit plan for its employees in the form of gratuity. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at

each reporting date, using the projected unit credit method, actuarial gain or loss for defined benefit plan are recognized in full in the year in which they occur in the statement of Profit and Loss.

Short term Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Undiscounted value of benefits such as salaries, leave encashment incentives, allowances and bonus are recognized in the period in which the employee renders the related service.

16. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset, that necessarily takes 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 in which they are incurred. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost another cost that an entity incurs in connection with the borrowings of the funds.

17. Segment Reporting:

Our Company is exclusively engaged in the business of manufacturing of chemicals. As such, in accordance with Ind AS, our Company's business is considered to constitute one single primary segment.

18. Earnings Per Share:

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider.

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

19. Recent Accounting Pronouncement:

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

a) IND AS 1 - Presentation of Financial Statements - This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward. The Company does not expect this amendment to have any material impact in its financial statements.

b) IND AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors –This amendment has changed the definition of a “change in accounting estimates” to a definition of “accounting estimates”. The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any material impact in its financial statements.

c) IND AS 12 - Income Taxes - This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences. The Company does not expect this amendment to have any material impact in its financial statements.

Report on Other Legal and Regulatory Requirements

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books Of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

KRONOX LAB SCIENCES LIMITED
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Statement of Notes to the Restated Financial Statement

Note: 2
Property, Plant and Equipments

FY 2023-24-Period Ended on June, 2023

(Rs. in Million)

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at April 1, 2023	Addition / Adjustments	Deduction / Adjustments	As at June 30, 2023	As at April 1, 2023	Depreciation for the period/year	Deduction / Adjustments	As at June 30, 2023	As at June 30, 2023	As at 31 March, 2023
Land	69.58	-	-	69.58	-	-	-	-	69.58	69.58
Computer	2.24	0.01	-	2.25	1.81	0.07	-	1.89	0.36	0.43
Factory Building	63.24	0.16	-	63.40	20.40	1.05	-	21.45	41.94	42.84
Furniture & Fixtures	2.59	-	-	2.59	1.45	0.07	-	1.52	1.07	1.14
Lab Equipment	4.93	0.01	-	4.94	2.00	0.13	-	2.13	2.81	2.93
Office Equipment	2.47	0.03	0.01	2.50	1.25	0.06	-	1.31	1.19	1.22
Plant & Machinery	85.55	0.73	-	86.28	59.53	1.26	-	60.79	25.49	26.02
Vehicle	10.64	-	-	10.64	3.81	0.33	-	4.14	6.50	6.83
Factory Shed	15.69	0.28	-	15.97	7.57	0.20	-	7.77	8.19	8.12
Total	256.93	1.22	0.01	258.15	97.82	3.18	-	101.00	157.15	159.12

FY 2022-23

(Rs. in Million)

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at April 1, 2022	Addition / Adjustments	Deduction / Adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation for the period/year	Deduction / Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Land	21.18	48.40	-	69.58	-	-	-	-	69.58	21.18
Computer	1.71	0.53	-	2.24	1.48	0.33	-	1.81	0.43	0.23
Factory Building	38.49	24.75	-	63.24	16.35	4.06	-	20.40	42.84	22.14
Furniture & Fixtures	1.63	0.96	-	2.59	1.17	0.28	-	1.45	1.14	0.46
Lab Equipment	3.40	1.52	-	4.93	1.51	0.49	-	2.00	2.93	1.90
Office Equipment	1.81	0.67	-	2.47	1.05	0.20	-	1.25	1.22	0.76
Plant & Machinery	80.70	4.85	-	85.55	53.94	5.58	-	59.53	26.02	26.75
Vehicle	10.37	0.62	0.35	10.64	2.42	1.64	0.25	3.81	6.83	7.95
Factory Shed	13.86	1.83	-	15.69	6.83	0.75	-	7.57	8.12	7.03
Total	173.13	84.15	0.35	256.93	84.74	13.33	0.25	97.82	159.12	88.40

FY 2021-22

(Rs. in Million)

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at April 1, 2021	Addition / Adjustments Rs.	Deduction / Adjustments Rs.	As at March 31, 2022	As at April 1, 2021	Depreciation for the period/year	Deduction / Adjustments Rs.	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Land	-	21.18	-	21.18	-	-	-	-	21.18	-
Computer	1.65	0.06	-	1.71	1.25	0.23	-	1.48	0.23	0.40
Factory Building	28.49	9.99	-	38.49	14.51	1.84	-	16.35	22.14	13.99
Furniture & Fixtures	1.55	0.08	-	1.63	1.03	0.14	-	1.17	0.46	0.52
Lab Equipment	2.94	0.46	-	3.40	1.12	0.39	-	1.51	1.90	1.83
Office Equipment	1.73	0.07	-	1.81	0.90	0.15	-	1.05	0.76	0.84
Plant & Machinery	79.16	1.53	-	80.70	48.55	5.39	-	53.94	26.75	30.61
Vehicle	3.59	8.43	1.66	10.37	1.93	1.60	1.11	2.42	7.95	1.66
Factory Shed	13.72	0.13	-	13.86	6.12	0.71	-	6.83	7.03	7.61
Total	132.84	41.95	1.66	173.13	75.40	10.45	1.11	84.74	88.40	57.45

KRONOX LAB SCIENCES LIMITED
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Statement of Notes to the Restated Financial Statement

FY 2020-21

(Rs. in Million)

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	As at April 1, 2020	Addition / Adjustments	Deletion / Adjustments	As at March 31, 2021	As at April 1, 2020	Depreciation for the period/year	Deletion / Adjustments year	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Computer	0.98	0.31	-	1.29	0.76	0.20	-	0.96	0.33	0.22
Factory Building	28.10	0.40	-	28.49	12.92	1.58	-	14.51	13.99	15.17
Furniture & Fixtures	1.54	0.01	-	1.55	0.83	0.19	-	1.03	0.52	0.70
Lab Equipment	1.22	1.72	-	2.94	1.01	0.10	-	1.12	1.83	0.21
Office Equipment	1.67	0.06	-	1.73	0.71	0.19	-	0.90	0.84	0.96
Plant & Machinery	71.40	7.76	-	79.16	42.22	6.33	-	48.55	30.61	29.18
Vehicle	4.62	0.49	1.52	3.59	2.43	0.49	0.99	1.93	1.66	2.19
Computer Software	0.25	0.11	-	0.36	0.23	0.06	-	0.29	0.07	0.02
Factory Shed	12.08	1.64	-	13.72	5.34	0.78	-	6.12	7.61	6.74
Total	121.85	12.50	1.52	132.84	66.46	9.92	0.99	75.40	57.45	55.39

Note: 3

Capital work-in-progress

FY 2023-24-Period Ended on June, 2023

(Rs. in Million)

Particulars	As at April 1, 2023	Addition / Adjustments	Capitalised during the Period	As at June 30, 2023
Factory Building (WIP)	-	-	-	-
Total	-	-	-	-

FY 2022-23

(Rs. in Million)

Particulars	As at April 1, 2022	Addition / Adjustments	Capitalised during the Period	As at March 31, 2023
Factory Building (WIP)	-	-	-	-
Total	-	-	-	-

FY 2021-22

(Rs. in Million)

Particulars	As at April 1, 2021	Addition / Adjustments	Capitalised during the Period	As at March 31, 2022
Factory Building (WIP)	3.99	3.99	-	7.98
Total	-	-	-	-

FY 2020-21

(Rs. in Million)

Particulars	As at April 1, 2020	Addition / Adjustments	Capitalised during the Period	As at March 31, 2021
Factory Building (WIP)	-	3.99	-	3.99
Total	-	3.99	-	3.99

Additional disclosures as per Schedule -III requirement:

CWIP Aging Schedule

(Rs. in Million)

Amount in CWIP for a period of	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Less than 1 Year	-	-	-	3.99
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	-	-	-	3.99

(Rs. in Million)

Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

KRONOX LAB SCIENCES LIMITED
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Statement of Notes to the Restated Financial Statement

Note: 4
Right-of-use assets

FY 2023-24-Period Ended on June, 2023

(Rs. in Million)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 1, 2023	Addition / Adjustments	Deduction / Adjustments	As at June 30, 2023	As at April 1, 2023	For the year	Deduction / Adjustments	As at June 30, 2023	As at June 30, 2023	As at April 1, 2023
Lease hold Property	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

FY 2022-23

(Rs. in Million)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 1, 2022	Addition / Adjustments	Deduction / Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deduction / Adjustments	As at March 31, 2023	As at March 31, 2023	As at April 1, 2022
Lease hold Property	44.27	-	44.27	-	19.68	1.64	-	21.32	-	24.59
Total	44.27	-	44.27	-	19.68	1.64	-	21.32	-	24.59

FY 2021-22

(Rs. in Million)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 1, 2021	Addition / Adjustments	Deduction / Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deduction / Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Lease hold Property	44.27	-	-	44.27	9.84	9.84	-	19.68	24.59	34.43
Total	44.27	-	-	44.27	9.84	9.84	-	19.68	24.59	34.43

FY 2020-21

(Rs. in Million)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at April 1, 2020	Addition / Adjustments	Deletion / Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deletion / Adjustments	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Lease hold Property	-	44.27	-	44.27	-	9.84	-	9.84	34.43	-
Total	-	44.27	-	44.27	-	9.84	-	9.84	34.43	-

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(Rs. in Million)

5	Investments	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Enviro Infrastructure - Share Certificate	0.25	0.25	0.25	0.25
	Total	0.25	0.25	0.25	0.25

(Rs. in Million)

6	Other Financial Asset	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Security deposits				
	Electricity Deposits	0.62	0.62	0.62	0.62
	Telephone Deposit	0.02	0.02	0.02	0.02
	NSDL	0.01	0.01	0.01	0.01
	CDSL	0.01	0.01	0.01	0.01
	Chemsol Specialities LLP*	-	-	9.00	15.00
	Eicl Security Deposit A/C	0.07	0.07	0.07	0.07
	Vihar Electrical Security Deposit	0.02	0.02	0.02	0.02
	Fixed Deposit With Banks(having remaining maturity period more than 12 months from the reporting date)	95.00	35.00	-	-
	Total	95.75	35.75	9.75	15.75

*Security Deposit Against Lease as per the Lease Deed.

(Rs. in Million)

7	Deferred Tax Assets /(Liabilities)	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Excess of depreciation/amortisation on property plant and equipment under income tax act	1.37	1.32	1.29	1.47
	Provision for employee benefits	2.31	1.98	1.34	0.48
	Leases	-	0.12	0.65	0.41
	Total	3.68	3.42	3.28	2.37

The tax impact for the above purpose has been arrived by applying a Income tax rate of 25.17% (Including Cess & Surcharge) being the prevailing tax rate for Indian companies under the Income Tax Act, 1961.

7A Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Accounting profit before tax	84.43	223.26	183.55	132.21
Tax rate	25.17%	25.17%	25.17%	25.17%
Tax as per IT Act on above	21.25	56.19	46.20	33.28
Tax expenses (P&L)				
(i) Current tax	21.76	57.94	47.90	35.54
(ii) Deferred tax	(1.15)	(0.84)	(0.62)	(0.63)
(iii) Taxation in respect of earlier years	-	-	-	-
	20.61	57.10	47.28	34.91
Tax expenses (OCI)	0.88	0.71	(0.30)	0.04
Difference	(0.25)	(1.61)	(0.78)	(1.67)
Tax reconciliation				
Adjustments:				
Effect of permanent adjustments	0.25	1.61	0.78	0.79
Effect of Temporary Adjustments:				
(i) Impact as a result of Tax Rate Change	-	-	-	-
(ii) Effect of earlier year adjustment	-	-	-	0.88
(iii) Others	-	-	-	-

(Rs. in Million)

8	Other Non Current Assets	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Non Current Advances to Suppliers	-	-	-	0.01
	Total	-	-	-	0.01

(Rs. in Million)

9	Inventories	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Raw material	33.87	24.25	38.83	24.98
	WIP	3.33	9.27	4.54	0.72
	Finished Goods	37.13	27.43	30.69	28.68
	Stock in transit	9.23	29.84	-	-
	Packing Material	1.34	0.95	1.04	0.56
	Total	84.90	91.73	75.11	54.94

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Statement of Notes to the Restated Financial Statement

(Rs. in Million)

10	Trade receivables	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Unsecured, considered good	183.43	185.54	256.10	154.61
	Unsecured, considered doubtful			2.00	-
	Less: Allowance for expected credit loss	(0.03)	(0.03)	(0.10)	(0.18)
	Secured, considered good			-	-
	Total	183.40	185.51	258.01	154.43

(Rs. in Million)

10A	Trade receivables	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Current trade receivables	183.43	185.54	258.10	154.61

(Rs. in Million)

10B	Trade Receivables ageing schedule	Outstanding for following periods from due date of Payment as on June 30, 2023				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade receivables – considered good	183.40	0.03	-	-	-
	(ii) Undisputed Trade Receivables – Which have significant credit risk	-	-	-	-	-
	(ii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-
	(iii) Disputed Trade Receivables considered good	-	-	-	-	-
	(iv) Disputed Trade Receivables - Which have significant credit risk	-	-	-	-	-
	(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-

(Rs. in Million)

10C	Trade Receivables ageing schedule	Outstanding for following periods from due date of Payment as on March 31, 2023				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade receivables – considered good	184.01	1.53	-	-	-
	(ii) Undisputed Trade Receivables – Which have significant credit risk	-	-	-	-	-
	(ii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-
	(iii) Disputed Trade Receivables considered good	-	-	-	-	-
	(iv) Disputed Trade Receivables - Which have significant credit risk	-	-	-	-	-
	(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-

(Rs. in Million)

10D	Trade Receivables ageing schedule	Outstanding for following periods from due date of Payment as on March 31, 2022				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade receivables – considered good	256.10	-	0.12	1.14	0.74
	(ii) Undisputed Trade Receivables – Which have significant credit risk	-	-	-	-	-
	(ii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-
	(iii) Disputed Trade Receivables considered good	-	-	-	-	-
	(iv) Disputed Trade Receivables - Which have significant credit risk	-	-	-	-	-
	(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-

(Rs. in Million)

10E	Trade Receivables ageing schedule	Outstanding for following periods from due date of Payment as on March 31, 2021				
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
	(i) Undisputed Trade receivables – considered good	145.69	7.11	0.76	1.05	0.00
	(ii) Undisputed Trade Receivables – Which have significant credit risk	-	-	-	-	-
	(ii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-
	(iii) Disputed Trade Receivables considered good	-	-	-	-	-
	(iv) Disputed Trade Receivables - Which have significant credit risk	-	-	-	-	-
	(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-

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Statement of Notes to the Restated Financial Statement

(Rs. in Million)

11	Cash and cash equivalent	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Cash and cash equivalents				
	Cash on hand	0.43	0.30	0.18	0.35
	Balances with banks	29.67	24.53	2.68	10.19
	Total	30.10	24.83	2.86	10.54

(Rs. in Million)

11A	Bank balances other than 11A Cash and cash equivalent above	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Fixed Deposit With Banks(having remaining maturity period less than 3 months from the reporting date)	60.85	10.79	25.24	10.00
	Total	60.85	10.79	25.24	10.00

(Rs. in Million)

12	Other Financial Asset	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Fixed Deposit With Banks(having remaining maturity period less than 12 months but more than 3 months from the reporting date)	10.54	20.85	71.94	25.25
	Interest Receivable (From Fixed Deposit with Bank)	3.04	2.66	2.09	0.73
	Total	13.58	23.51	74.02	25.98

(Rs. in Million)

13	Other Current Assets	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Balances with statutory authorities	0.23	0.36	3.80	2.52
	Prepaid Expenses	0.06	0.37	0.58	0.13
	Other Advances	4.85	4.71	2.00	3.67
	Total	5.14	5.43	6.38	6.32

(Rs. in Million)

16	Long-term borrowings	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Term loans from banks				
	Secured Loan: (Note -a)				
	HDFC Bank Ltd Hyundai Alcazar Car Loan	-	-	1.60	-
	HDFC Bank Ltd Mercedes -GLC	-	-	3.12	-
	HDFC Bank K Ltd Tempo Trax Loan	-	-	-	-
	Total	-	-	4.72	-

Note -a

The above loans are only vehicle loans and secured against the hypothecation of respective vehicles.

(Rs. in Million)

17	Non Current Lease Liability	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Non- Current Lease Liability	-	-	16.82	27.18
	Total	-	-	16.82	27.18

(Rs. in Million)

18	Non Current Provisions	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Others				
	Accrued Defined Benefit Plan Liability	4.85	4.87	5.20	1.72
	Total	4.85	4.87	5.20	1.72

(Rs. in Million)

19	Short term Borrowings	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Secured Loan (Note-a)				
	Current maturities of Long term borrowings				
	HDFC Bank K Ltd Tempo Trax Loan	-	-	-	0.13
	HDFC Bank Ltd Hyundai Alcazar Car Loan	-	-	0.36	-
	HDFC Bank Ltd Mercedes -GLC	-	-	1.34	-
	Total	-	-	1.70	0.13

Note -a

The above loans are only vehicle loans and secured against the hypothecation of respective vehicles.

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(Rs. in Million)

20	Lease Liability	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Current Lease Liability	-	-	10.36	8.90
	Total	-	-	10.36	8.90

(Rs. in Million)

21	Trade payables	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	(i) Outstanding dues to Micro and small Enterprises	29.04	28.60	60.13	15.04
	(ii) Outstanding dues of creditors other than Micro and small Enterprises	51.19	49.50	55.08	50.50
	Total	80.22	78.11	115.21	65.55

Note: There is no interest due on outstanding dues to micro and small enterprises during the year/period ended June 30, 2023 ; March 31, 2023; March 31, 2022 and March 31,2021.

(Rs. in Million)

21A	Trade payables	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Considered as Current	80.22	78.11	115.21	65.55
	Considered as Non Current	-	-	-	-
	Total	80.22	78.11	115.21	65.55

(Rs. in Million)

21B	TRADE PAYABLES AGEING SCHEDULE	Outstanding for following periods from due date of payment as on June 30, 2023				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Trade Payables					
	(i) MSME	29.04	-	-	-	29.04
	(ii) Others	51.18	0.00	0.00	-	51.19
	(iii) Disputed dues – MSME	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-
	Total	80.22	0.00	0.00	-	80.22

(Rs. in Million)

21C	TRADE PAYABLES AGEING SCHEDULE	Outstanding for following periods from due date of payment as on March 31, 2023				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Trade Payables					
	(i) MSME	28.60	-	-	-	28.60
	(ii) Others	49.50	0.00	-	-	49.50
	(iii) Disputed dues – MSME	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-
	Total	78.10	0.00	-	-	78.11

(Rs. in Million)

21D	TRADE PAYABLES AGEING SCHEDULE	Outstanding for following periods from due date of payment as on March 31, 2022				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Trade Payables					
	(i) MSME	60.13	-	-	-	60.13
	(ii) Others	55.08	-	-	-	55.08
	(iii) Disputed dues – MSME	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-
	Total	115.21	-	-	-	115.21

(Rs. in Million)

21E	TRADE PAYABLES AGEING SCHEDULE	Outstanding for following periods from due date of payment as on March 31, 2021				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Trade Payables					
	(i) MSME	15.04	-	-	-	15.04
	(ii) Others	50.43	0.06	0.01	-	50.50
	(iii) Disputed dues – MSME	-	-	-	-	-
	(iv) Disputed dues - Others	-	-	-	-	-
	Total	65.48	0.06	0.01	-	65.55

KRONOX LAB SCIENCES LIMITED
(Previously Known as KRONOX LAB SCIENCES PVT LTD)
Statement of Notes to the Restated Financial Statement

(Rs. in Million)

22	Other Current Liabilities	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Advance Received from customer	18.03	1.90	0.00	0.02
	Others				
	Statutory dues payable	2.22	3.69	2.17	2.22
	Total	20.25	5.60	2.17	2.24

(Rs. in Million)

23	Provisions	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Provision for employee benefits	3.11	2.71	2.01	1.80
	Salary Payable	0.98	0.98	0.81	0.61
	Bonus Payable	1.92	1.53	1.08	0.99
	Accrued Defined Benefit Plan Liability	0.21	0.20	-	-
	Others	3.13	3.65	4.07	0.67
	Total	6.24	6.37	6.08	2.47

(Rs. in Million)

24	Current Tax Liabilities (Net)	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Income tax (Net of advance tax)	12.82	(1.39)	2.09	0.13
	Total	12.82	(1.39)	2.09	0.13

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(Previously Known as KRONOX LAB SCIENCES PVT LTD)
Statement of Notes to the Restated Financial Statement

(Rs. in Million)

14	Equity Share Capital	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Share Capital:								
	Authorised share capital								
	Balance at the end of the reporting year/period.	5,40,00,000	540.00	5,40,00,000	540.00	1,50,00,000	150.00	1,50,00,000	150.00
	Issued, subscribed and fully paid up capital:								
	Balance at the end of the reporting year/period.	3,71,04,000	371.04	3,71,04,000	371.04	2,41,000	2.41	2,41,000	2.41
	Total		371.04		371.04		2.41		2.41

(a)	Reconciliation of number of shares Outstanding	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
		Number	(Rs.)	Number	(Rs.)	Number	(Rs.)	Number	(Rs.)
	Shares outstanding at the beginning of the year	3,71,04,000	37,10,40,000	2,41,000	24,10,000	2,41,000	24,10,000	2,50,000	25,00,000
	Bonus shares issued during the year refer note (i) below	-	-	3,88,01,000	38,80,10,000	-	-	-	-
	Shares brought back during the year refer note (ii) and (iii) below	-	-	(19,38,000)	(1,93,80,000)	-	-	(9,000)	(90,000)
	Shares outstanding at the end of the year	3,71,04,000	37,10,40,000	3,71,04,000	37,10,40,000	2,41,000	24,10,000	2,41,000	24,10,000

Rights, preferences and restrictions attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. Voting rights can not be exercised in respect of shares on which any call or other sums presently payable have not been paid. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(i) The Company allotted 3,88,01,000 Ordinary Shares of 10/- each, as fully paid-up Bonus Shares in the proportion of 161 (One Hundred Sixty One) Bonus Share of 10/- each for every existing 1 (One) Ordinary Shares of 10/- each during the FY 2022-23.

(ii) The Company has bought back 19,38,000 fully paid up equity shares of face value of Rs 10/- per share during FY 2022-23.

(iii) The Company has bought back 9,000 fully paid up equity shares of face value of Rs 10/- per share during FY 2020-21.

(b) Details of shares held by Promoters

Name of the shareholders/promoter	As at June 30, 2023		As at March 31, 2023			As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of share holding	No. of shares	% of share holding	% change during the year	No. of shares	% of share holding	% change during the year	No. of shares	% of share holding	% change during the year
Pritesh Ramani	1,11,29,580	30.00%	1,11,29,580	30.00%	-	72,290	30.00%	-	72,290	30.00%	-
Jogindersingh Jaswal	1,29,83,160	34.99%	1,29,83,160	34.99%	-	84,330	34.99%	-	84,330	34.99%	-
Ketan Ramani	1,29,81,540	34.99%	1,29,81,540	34.99%	-	84,320	34.99%	-	84,320	34.99%	-
Total	3,70,94,280		3,70,94,280			2,40,940			2,40,940		

(c) Details of share held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholders/promoter	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of share holding	No. of shares	% of share holding	No. of shares	% of share holding	No. of shares	% of share holding
Pritesh Ramani	1,11,29,580	30.00%	1,11,29,580	30.00%	72,290	30.00%	72,290	30.00%
Jogindersingh Jaswal	1,29,83,160	34.99%	1,29,83,160	34.99%	84,330	34.99%	84,330	34.99%
Ketan Ramani	1,29,81,540	34.99%	1,29,81,540	34.99%	84,320	34.99%	84,320	34.99%
Total	3,70,94,280		3,70,94,280		2,40,940		2,40,940	

KRONOX LAB SCIENCES LIMITED (Previously Known as KRONOX LAB SCIENCES PVT LTD)

CIN: U24117GJ2008PLC055460

Restated Statement of changes in Equity

Note: 15

A. Equity Share Capital

FY 2023-24-Period Ended on June, 2023

(Rs. in Million)

Balance at the beginning of the current reporting period i.e. 01/04/2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. 30/06/2023
371.04	-	-	-	371.04

FY 2022-23

(Rs. in Million)

Balance at the beginning of the current reporting period i.e. 01/04/2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. 31/03/2023
2.41	-	2.41	368.63	371.04

FY 2021-22

(Rs. in Million)

Balance at the beginning of the current reporting period i.e. 01/04/2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. 31/03/2022
2.41	-	2.41	-	2.41

FY 2020-21

(Rs. in Million)

Balance at the beginning of the current reporting period i.e. 01/04/2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. 31/03/2021
2.50	-	2.50	(0.09)	2.41

B. Other Equity

FY 2023-24-Period Ended on June, 2023

(Rs. in Million)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained earnings	Defined benefit Plan liability / asset	
Balance as at 1st April, 2023	19.47	55.06	1.22	75.75
Add/Less : On Account of changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at 1st April, 2023	19.47	55.06	1.22	75.75
Total Comprehensive Income for the period ended June 23	-	63.82	(0.17)	63.65
Transfer to Capital Redemption Reserve on Account of Buy Back	-	-	-	-
Balance as at 30th June, 2023	19.47	118.88	1.04	139.40

FY 2022-23

(Rs. in Million)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained earnings	Defined benefit Plan liability / asset	
Balance as at 1st April, 2022	0.09	401.91	(0.88)	401.12
Add/Less : On Account of changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at 1st April, 2022	0.09	401.91	(0.88)	401.12
Total Comprehensive Income for the year	-	166.17	2.10	168.26
Bonus Shares Issued (Refer Note-14a(i))	-	(388.01)	-	(388.01)
Buy Back of Equity Shares* (Refer Note-14a(ii))	-	(105.62)	-	(105.62)
Dividend paid	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Transfer to Capital Redemption Reserve on Account of Buy Back	19.38	(19.38)	-	-
Balance as at 31st March, 2023	19.47	55.06	1.22	75.75

*Including tax on buy back of 29.12 Mn

FY 2021-22

(Rs. in Million)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained earnings	Defined benefit Plan liability / asset	
Balance as at 1st April, 2021	0.09	265.63	0.008	265.73
Add/Less : On Account of changes in accounting policy or prior period errors	-	-	-	-
Restated Balance as at 1st April, 2021	0.09	265.63	0.01	265.73
Total Comprehensive Income for the year	-	136.27	(0.89)	135.39
Dividend paid	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	-	-
Balance as at 31st March, 2022	0.09	401.91	(0.88)	401.12

Particulars	Reserves and Surplus		Other Comprehensive Income	Total
	Capital Redemption Reserve	Retained earnings	Defined benefit Plan liability / asset	
Balance as at 1st April, 2020	-	230.19	(0.10)	230.09
Add/Less : On Account of Bad debts	-	(3.04)	-	(3.04)
Restated Balance as at 1st April, 2020	-	227.15	(0.10)	227.05
Total Comprehensive Income for the year	-	97.30	0.11	97.40
Dividend paid	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Transfer to Capital Redemption Reserve on Account of Buy Back	0.09	(0.09)	-	-
Buy Back of Equity Shares (Refer Note-14a(iii))	-	(58.72)	-	(58.72)
Balance as at 31st March, 2021	0.09	265.63	0.01	265.73

The above statement should be read with Statement of Notes to the Restated Financial Statement
As per our attached report of even dates

For Mahesh Udhvani & Associates,
Chartered Accountants
(Firm Regd.No.129738W)

For and on behalf of the Board of Directors

Mahesh Udhvani
Partner
Membership No.047328
UDIN: 23047328BGUTGY8676
Place: Vadodara
Date : 18/11/2023

Jogindersingh Jaswal
(Managing Director)
DIN : 02385809

Ketan Ramani
(Whole-time Director)
DIN :01510833

Pritesh Ramani
(Whole-time Director)
DIN :02392939

Nikhil Goswami
CS & Compliance Officer

Samir Rajnikantbhai Gadhiya
Chief Financial Officer

KRONOX LAB SCIENCES LIMITED
(Previously Known as KRONOX LAB SCIENCES PVT LTD)
Statement of Notes to the Restated Financial Statement

(Rs. in Million)

25	Revenue from operations	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Sale of products				
	Local Sales	174.98	654.46	572.53	459.20
	Export Sales	66.07	242.68	192.95	128.43
	SEZ Sales	15.91	49.66	42.66	31.59
	Merchant Export	2.56	8.97	14.33	5.38
	Total	259.52	955.78	822.47	624.60

(Rs. in Million)

26	Other income	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Dividend	-	0.00	0.00	0.00
	Duty Drawback	0.44	2.64	1.72	1.25
	Foreign Exchange Gain	0.50	9.48	3.17	0.95
	Interest Income	1.48	4.25	3.20	2.78
	Merchandise Exports from India Scheme (MEIS) Income	-	-	1.33	1.59
	Subsidy Received From District Industries Centre (DIC)	-	0.10	1.23	-
	Profit on sale of Asset	-	0.11	0.26	0.27
	Gain on lease termination	-	2.62	-	-
	Kasar & Discount	-	0.00	0.01	0.69
	Miscellaneous Income	-	-	0.00	0.24
	Total	2.43	19.20	10.93	7.76

(Rs. in Million)

27	Cost of materials consumed	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Opening Stock	25.20	39.87	25.54	20.55
	Add: Purchase during the year				
	Local Purchase	127.65	563.07	487.71	323.55
	Import Purchase	-	2.37	6.46	25.06
		152.85	605.32	519.71	369.17
	Less: Closing Stock	35.21	25.20	39.87	25.54
	Total	117.65	580.12	479.84	343.63

(Rs. in Million)

28	Change in Inventories of Finished Goods and Work in Progress	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Opening Inventories:				
	Work-in-progress	9.27	4.54	0.72	3.83
	Finished goods	27.43	30.69	28.68	26.02
	Goods-in-transit	29.84			
		66.54	35.24	29.40	29.85
	Closing Inventories:				
	Work-in-progress	3.33	9.27	4.54	0.72
	Finished goods	37.13	27.43	30.69	28.68
	Goods-in-transit	9.23	29.84	-	-
		49.69	66.54	35.24	29.40
	Total	16.84	(31.30)	(5.84)	0.45

(Rs. in Million)

29	Employee benefits expense	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Director Remuneration	12.75	51.00	41.00	39.00
	Salary, wages and Bonus	3.88	14.15	12.35	11.94
	Gratuity	0.70	2.81	2.54	1.37
	Contributions to Employee benefits funds	0.72	1.48	0.93	0.81
	Staff Welfare Expense	0.14	0.84	0.63	0.79
	Total	18.19	70.27	57.46	53.91

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(Previously Known as KRONOX LAB SCIENCES PVT LTD)
Statement of Notes to the Restated Financial Statement

(Rs. in Million)

30	Finance costs	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Bank Interest	-	0.54	0.43	0.02
	Interest Expense on lease liabilities	-	0.39	3.62	3.81
	Total	-	0.93	4.05	3.82

(Rs. in Million)

31	Depreciation and amortisation expenses	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Depreciation of property, plant and equipment (refer note 2)	3.18	13.33	10.45	9.92
	Amortisation of right-of-use asset (refer note 4)	-	1.64	9.84	9.84
	Total	3.18	14.97	20.29	19.76

(Rs. in Million)

32	Other expenses	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Audit Fees	0.11	0.45	0.45	0.45
	CSR Expenses	0.99	2.89	2.62	2.07
	Power and Fuel Expense	1.47	5.36	4.78	4.11
	Factory Expenses	0.19	1.23	1.00	1.78
	Freight & Transportation Expenses	5.70	20.06	14.09	17.08
	Labour Charges	1.90	25.22	20.60	19.70
	Other expenses	0.13	0.25	0.15	0.13
	Other administrative and general expenses	6.18	2.86	1.29	1.95
	Penalty	-	-	0.10	-
	Pollution Control Expense	0.19	0.56	0.65	0.58
	Telephone and Postage	0.06	0.28	0.22	0.21
	Printing & Stationary	0.13	0.47	0.32	0.28
	Professional Fees Expense	0.44	4.36	1.09	4.14
	Impairment loss recognized on Financial Asset	-	(0.07)	(0.08)	0.02
	Increase of Authorised Capital Expense	-	2.93	-	-
	Insurance	-	0.51	0.34	0.26
	Rates & Taxes	0.13	0.73	0.70	0.20
	Rent Expense	0.18	-	0.36	0.43
	Repair & Maintenance Expense	1.09	3.79	3.00	3.00
	Selling and Distribution Expense	2.78	44.85	42.36	22.18
	Total	21.66	116.73	94.05	78.58

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Note - 33

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL

(B) **Contingent Liabilities**

(Rs. in Million)

Guarantees/LC	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Guarantees by Company to Banks and Financial Institutions against credit facilities extended to third parties and other Guarantees	NIL	NIL	NIL	NIL
Other Contingent Liabilities	NIL	NIL	NIL	NIL

(C) **Earnings Per Share (EPS):**

The numerators and denominators used to calculate Basic and Diluted Earnings per Share:

Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Shareholders After Tax / Deferred Tax (Rs.)	6,38,15,336	16,61,65,098	13,62,73,618	9,72,96,956
Weighted Average No. of Equity Shares Outstanding*	3,71,04,000	3,85,53,518	3,90,42,000	4,04,97,016
Nominal Value of Equity Shares (Rs.)	10	10	10	10
Basic and diluted Earnings Per Share (Rs.)	1.72	4.31	3.49	2.40

*Weighted Average No. of Equity Shares Outstanding are adjusted for bonus issue from the earliest period presented. The Company issued bonus shares to existing shareholders in the ratio of 1:161 as on 09/08/2022.

(D) **Remuneration paid to Directors:**

(Rs. in Million)

Particulars	For the period ended June 30,2023	For the year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Pritesh Ramani	4.8	19.2	14.20	13.20
Ketan Ramani	3.15	12.6	12.60	12.60
Jogindersingh jaswal	4.8	19.2	14.20	13.20
Total	12.75	51.00	41.00	39.00

(E) **Auditors' Remuneration:**

(Rs. in Million)

Particulars	For the period ended June 30,2023	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March 31,2021
For Audit Fees	0.11	0.45	0.45	0.45
For Other Professional service	-	0.40	-	-
Total	0.11	0.85	0.45	0.45

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(F) Following disclosures are required as per IND AS - 19, Employee benefits in respect of Gratuity:

(Rs. in Million)

Present Value of Benefit Obligations - Changes over the valuation period	For the period ended June 30,2023	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March 31,2021
Present Value of Benefit Obligation beginning of the year	6.94	6.89	3.22	1.98
Current Service cost	0.61	2.42	2.42	1.30
Interest cost	0.13	0.51	0.22	0.13
Benefits paid	-0.10	-0.09	(0.14)	-
Actuarial losses (gains) arising from change in financial assumptions	0.07	-0.28	-	-
Actuarial losses (gains) arising from change in demographic assumptions	0.00	-	-	-
Actuarial losses (gains) arising from experience adjustments	-0.55	-2.52	1.18	0.20
Present Value of Benefit Obligation on year end (Rs.)	7.09	6.94	6.89	3.22
Bifurcation of Present Value of Benefit Obligation				
Current - Amount due within one year	0.29	0.27	0.15	0.34
Non-Current - Amount due after one year	6.80	6.67	6.74	2.88
Total	7.09	6.94	6.89	3.22
Expected Benefit Payments in Future Years				
Year 1	0.29	0.27	0.15	0.34
Year 2	0.43	0.41	0.36	0.25
Year 3	2.25	2.25	0.37	0.33
Year 4	0.26	0.26	2.23	0.33
Year 5	2.24	2.24	0.22	2.22
Year 6 to 10	0.59	0.53	4.84	4.87
Sensitivity Analysis - Effects of Key Assumptions on Defined Benefit Obligations				
Discount Rate - 1 percent increase	6.66	6.52	6.42	6.57
Discount Rate - 1 percent decrease	7.58	7.41	7.42	7.57
Salary Escalation Rate - 1 percent increase	7.58	7.42	7.42	7.57
Salary Escalation Rate - 1 percent decrease	6.65	6.50	6.41	6.56
Withdrawal Rate - 1 percent increase	7.14	6.99	6.90	7.05
Withdrawal Rate - 1 percent decrease	7.04	6.88	6.88	7.03
Changes in Fair Value of Plan Assets				
Fair Value of Plan Assets beginning of the year	1.87	1.57	1.34	0.39
Expected Return on Plan Assets	0.03	0.12	0.10	0.06
Company Contributions	0.00	0.26	0.28	0.90
Benefits paid	-0.10	(0.09)	(0.14)	-
Actuarial gains / (losses)	0.23	0.00	(0.01)	-0.06
Fair Value of Plan Assets on year end (Rs.)	2.03	1.87	1.57	1.29
	0.00	-	-	-
Asset Category of Plan Assets				
Government of India Securities	-	-	-	-
High quality corporate bonds	-	-	-	-
Equity shares of listed companies	-	-	-	-
Property	-	-	-	-
Funds managed by Insurance Company	100%	100%	100%	100%
Cash / Bank Balance	-	-	-	-

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(Rs. in Million)

Present Value of Benefit Obligations - Changes over the valuation period	For the period ended June 30,2023	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March 31,2021
Balance Sheet - Amount to be recognised				
Present Value of Benefit Obligation on year end	7.09	6.94	6.89	3.22
Fair Value of Plan Assets on year end	2.03	1.87	1.57	1.29
Net Liability / (Asset) recognised in Balance Sheet	5.06	5.07	5.32	1.92
Profit and Loss statement				
Current Service cost	0.61	2.42	2.42	1.30
Net interest on net Defined Liability / (Asset)	0.09	0.39	0.12	0.08
Expenses recognised in Statement of Profit and Loss	0.70	2.81	2.54	1.37
Other Comprehensive Income				
Actuarial (Gains) / Losses on Liability	(0.48)	(2.80)	1.18	(0.20)
Return on Plan Assets excluding amount included in 'Net interest on net Defined Liability / (Asset)' above	(0.23)	0.00	0.01	0.06
Total	(0.71)	(2.80)	1.19	(0.14)

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(G) Related Party Disclosures:

Disclosure as per IND AS - 24 "Related Party Disclosure" are as follows:

1. List of related parties with whom transactions have taken place and relationships

Sr No.	Name of Related Party	Relationship
1	Ketan Ramani	Key Management Personnel
2	Pritesh Ramani	Key Management Personnel
3	Jogindersingh Jaswal	Key Management Personnel
4	Pooja Chemicals.	Significant Control of KMP over other entity
5	P.K. Chlorochem Pvt Ltd.	Significant Control of KMP over other entity
6	Chemsol Specialities LLP	Significant Control of KMP over other entity
7	P.K. Capital & Investment.	Significant Control of relatives of KMP
8	Ashok Jagi	Relative of Key Management Personnel

2. Particulars of transactions with related parties:

(Rs. in Million)

Sr.No	Name of Related Party	Relation	Nature	For the period ended June 30,2023	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March
1	Pooja Chemicals	Significant Control of KMP over other	Purchase	0.02	0.18	2.34	5.80
2	P.K.Chlorochem Pvt. Ltd.	Significant Control of KMP over other entity	Purchase	0.09	2.43	3.89	0.98
3	P.K.Chlorochem Pvt. Ltd.		Sales	0.49	0.62	0.49	2.09
4	Chemsol Specialities LLP	Significant Control of KMP over other entity	Purchase of Fixed Asset	-	70.43	-	-
5	Chemsol Specialities LLP		Rent Expense	-	2.16	12.00	12.00
6	Chemsol Specialities LLP		Rent Deposit/(Repayment of rent deposit)	-	-0.90	6.00	7.50
7	P.K. capital & Investment	Significant Control of relatives of KMP	Rent Expense	-	-	0.32	0.43
8	P.K. capital & Investment		Purchase of Fixed Asset	-	-	21.18	-
9	Ketan Ramani	Key Management Personnel	Remuneration	3.15	12.6	12.60	12.60
10	Pritesh Ramani	Key Management Personnel	Remuneration	4.8	19.2	14.20	13.20
11	Ketan Ramani	Key Management Personnel	Reimbursement of expense	-	-	-	0.00
12	Jogindersingh Jaswal	Key Management Personnel	Remuneration	4.8	19.2	14.20	13.20
13	Ashok Jagi	Relative of Key Management Personnel	Salary	-	0.52	0.48	0.45

3. Outstanding Balances at the year end of related parties

(Rs. in Million)

Sr.No	Name of Related Party	Relation	Outstanding Balance as at June 30,2023	Outstanding Balance as at March 31, 2023	Outstanding Balance as at March 31, 2022	Outstanding Balance as at March 31, 2021
1	Pooja Chemicals	Significant Control of KMP over other entity	NIL	0.09	0.10	0.77
2	P.K.Chlorochem Pvt. Ltd.	Significant Control of KMP over other entity	0.49	0.13	0.15	0.01
3	Chemsol Specialities LLP	Significant Control of KMP over other entity	NIL	NIL	9.00	15.00
4	P.K. capital & Investment	Significant Control of KMP over other entity	NIL	NIL	NIL	NIL
5	Ketan Ramani	Key Management Personnel	NIL	NIL	NIL	NIL
6	Pritesh Ramani	Key Management Personnel	NIL	NIL	NIL	NIL
7	Jogindersingh Jaswal	Key Management Personnel	NIL	NIL	NIL	NIL
8	Ashok Jagi	Relative of Key Management Personnel	NIL	NIL	NIL	NIL

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(H) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in Million)

Sr.No	Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	(a) (i) the principal amount remaining unpaid to any supplier at the end of each accounting year;	29.04	28.60	60.13	15.04
2	(a) (ii) Interest due thereon remaining unpaid to any supplier at the end of each accounting year;	NIL	NIL	NIL	NIL
3	(b) 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	NIL	NIL	NIL	NIL
4	(c) 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;	NIL	NIL	NIL	NIL
5	(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL	NIL	NIL
6	(e) 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.	NIL	NIL	NIL	NIL

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors other than shown above at the Balance Sheet date. There are no delays in payment made to such suppliers during the reporting period/years or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the reporting period/years or on balance brought forward from previous year.

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(I) Additional Regulatory Information:

(i)	Title deeds of Immovable Property not held in name of the Company	The title deeds of immovable property (other than lease hold property) held in the name of company during the Reporting Periods/years.
(ii)	Capital-Work-in Progress	Refer note no.3 for details.
(iii)	Intangible assets under development	There is no any Intangible assets under development hence this clause is not applicable.
(iv)	Details of Benami Property held	There is no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder hence this clause is not applicable.
(v)	Wilful Defaulter	Any bank or financial Institution or other lender is not declared company as Wilful Defaulter in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India till date hence this clause is not applicable to the said company.
(vi)	Relationship with Struck off Companies	There is no relationship with stuck off companies. Hence, this clause is not applicable.
(vii)	Registration of charges or satisfaction with Registrar of Companies	The Company is regularly updated with ROC for any registration or satisfaction of charges.
(viii)	Compliance with number of layers of companies	This clause is not applicable to the said company.
(ix)	Ratio Calculations	Refer following table for details
(x)	Compliance with approved Scheme(s) of Arrangements	This clause is not applicable.
(xi)	Utilisation of Borrowed funds and share premium	No such advanced or loaned or invested funds by company

Ratios as per the Schedule III requirement of Companies Act, 2013:

Ratios	Numerator	Denominator	As at June 30,2023	As at March 31,2023	As at March 31,2022	As at March 31,2021
(a) Current Ratio	Current Assets	Current Liabilities	3.16	3.85	3.21	3.30
(b) Debt-Equity Ratio	Total Debt	Shareholders' equity	0.00	0.00	0.02	0.00
(c) Debt Service Coverage Ratio (DSCR)	Earning available for debt service	Debt service	NA	195.15	4.26	3.01
(d) Return on Equity ratio (ROE)	Net profit after taxes less preference dividend (if any)	Average Shareholders' equity	0.13	0.40	0.40	0.39
(e) Inventory Turnover Ratio	Cost of goods sold or sales	Average Inventory	4.47	18.78	25.45	21.09
(f) Trade Receivables	Net credit sales	Average trade receivables	1.41	4.31	3.99	4.00
(g) Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	1.61	5.85	5.47	4.99
(h) Net Capital Turnover Ratio	Net sales	Average working capital	1.00	3.78	2.71	3.42
(i) Net Profit Ratio	Net profit after taxes	Net sales	0.25	0.18	0.16	0.16
(j) Return on Capital Employed	Earning before interest and taxes	Capital employed	0.14	0.44	0.33	0.37
(k) Return on Investment	Income from Investments	Cost of investment	0.00	0.01	0.01	0.01

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(J) Corporate Social Responsibility Expenditure:

Particulars	(Rs. in Million)			
	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) amount required to be spent by the company during the year, (Refer note below)	0.99	2.88	2.35	1.69
(ii) amount of expenditure incurred,	NIL	2.89	2.62	2.07
(iii) shortfall at the end of the year,	N/A	NIL	NIL	NIL
(iv) total of previous years shortfall,	N/A	NIL	NIL	NIL
(v) reason for shortfall	N/A	N/A	N/A	N/A
(vi) nature of CSR activities,	N/A	General public Utility and Education	General public Utility and Education	General public Utility and Education
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NIL	NIL	NIL
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N/A	N/A	N/A	N/A

Note-Amount required to be spent for the three months period ended June 30, 2023 is taken on approximation basis as the the same will be finalized at the year end as per Companies Act, 2013

(K) Events subsequent to 30 June 2023

The Company is in process of acquiring a land parcel admeasuring approximate of 19212 Sq. Mtrs at GIDC, Dahej -II, to set up a new manufacturing facility to expand capacities for existing products and diversify into new products.

(L) Note on special Purpose Interim Financial Statements

The special purpose interim financial statements have been prepared to be used by the Company's management for preparing the necessary financial information in connection with filing of the Draft Red Herring Prospectus (DRHP),), a Red Herring Prospectus ("RHP") and a Prospectus, and any amendments and supplements thereto (collectively, the "Offering/Offer Documents") in connection with the Proposed issue of securities by the Company (the "offer" or "Offering").

These Special Purpose Interim financial statements prepared with Indian Accounting Standard 34 ('Ind AS 34') "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the exemption available to the Issuer under paragraph (A) (i) of clause 11(l) of part A of schedule VI of the SEBI ICDR Regulations, and other accounting principles generally accepted in India

(M) Financial Risk Management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

- Credit risk -see note (a) below
- Liquidity Risk- see note (b) below
- Market risk - see note (c) below

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(a) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

(i) The company has not made any provision on expected credit loss on trade receivables and other financial assets, based on the management estimates.

(ii) Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(b) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department within the Finance Department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

(Rs. in Million)

Particulars	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Current Assets (A)	377.97	341.80	441.61	262.21
Total Current Liabilities (B)	119.53	88.68	137.61	79.41
Working Capital (A)-(B)	258.44	253.12	304.00	182.79
Current Ratio	3.16	3.85	3.21	3.30

Following is the Company's exposure to financial liabilities:

(Rs. in Million)

Particulars	As at June 30, 2023			
	Carrying Value	Less than 1 year	More than 1 year	Total
Borrowings	-	-	-	-
Trade Payables	80.22	80.22	0.00	80.22
Lease Liabilities	-	-	-	-
Other financial Liabilities	-	-	-	-

(Rs. in Million)

Particulars	As at March 31, 2023			
	Carrying Value	Less than 1 year	More than 1 year	Total
Borrowings	-	-	-	-
Trade Payables	78.11	78.10	0.00	78.11
Lease Liabilities	-	-	-	-
Other financial Liabilities	-	-	-	-

(Rs. in Million)

Particulars	As at March 31, 2022			
	Carrying Value	Less than 1 year	More than 1 year	Total
Borrowings	6.42	1.70	4.72	6.42
Trade Payables	115.21	115.21	-	115.21
Lease Liabilities	27.18	10.36	16.82	27.18
Other financial Liabilities	-	-	-	-

(Rs. in Million)

Particulars	As at March 31, 2021			
	Carrying Value	Less than 1 year	More than 1 year	Total
Borrowings	0.13	0.13	-	0.13
Trade Payables	65.55	65.48	0.07	65.55
Lease Liabilities	36.08	8.90	27.18	36.08
Other financial Liabilities	-	-	-	-

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(c) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) Foreign currency risk :

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency.

Following is outstanding foreign currency unhedged exposure :

(i) Financial assets:

Financial Assets	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees
USD								
Trade Receivables	0.40	33.13	0.74	60.12	0.85	64.10	0.45	32.93
Advance to Supplier -Import (Other Current Asset)	-	-	-	-	0.01	0.39	0.03	2.00
Total	0.40	33.13	0.74	60.12	0.85	64.49	0.48	34.93

(ii) Financial Liabilities:

Financial Liabilities	As at June 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees	Foreign currency	Equivalent amount rupees
USD								
Trade Payables				-				
Advance Received from Customer-Export	0.03	2.56	0.02	1.72	0.02	1.72	-	-
Total	0.03	2.56	0.02	1.72	0.02	1.72	-	-

(N) Capital Management:

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders. The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	(Rs. in Million)			
	As at June 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Liability	124.38	93.55	164	108
Less: cash and cash equivalents and bank balances (Refer Note no.11 and 11A)	91	36	28	21
Net Debt	33.43	57.94	136.26	87.77
Total Equity	510	447	404	268
Debt-Equity ratio	0.07	0.13	0.34	0.33

(O) Previous year balances are regrouped, reclassified and rearranged wherever necessary.

(P) The Balances of Trade receivables and payables, Other Liabilities and recoverable advances are subject to confirmations.

KRONOX LAB SCIENCES LIMITED
(Previously Known as KRONOX LAB SCIENCES PRIVATE LIMITED)

Statement of Notes to the Restated Financial Statement

Note 34:

Summarized below are the restatement adjustments made to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2023, Audited Financial Statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and their impact on equity and the profit/(loss) of the Company :

PART-A : Statement of Adjustments to Audited Special Purpose Interim Financial Statements and Audited Financial Statements

Reconciliation between audited profit/(loss) and restated profit/ (loss) :

Particulars	(Rs. in Million)			
	For the Period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Profit after tax (as per historical audited financial statements)	63.65	166.13	135.22	97.38
B. Adjustments:				
Material Restated Adjustments:				
i) Audit Qualifications	-	-	-	-
ii) Adjustment due to Bad Debts effect	-	2.75	-	-
iii) Other Adjustment (Expected Credit Loss)	-	0.10	0.17	0.02
iv) Change in Provision of tax due to above	-	(0.72)	-	-
v) Change in Accounting Policies	-	-	-	-
C. Total impact of adjustments (i+ii+iii+iv+v)	-	2.13	0.17	0.02
Restated total Comprehensive income/(Loss)	63.65	168.26	135.39	97.40

Reconciliation between audited equity and restated equity:

Particulars	(Rs. in Million)			
	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
A. Total Equity as per Audited Financial Statements	511.16	447.51	406.38	271.16
B. Adjustments:				
Material Restated Adjustments:				
i) Audit Qualifications	-	-	-	-
ii) Adjustment due to Bad Debts	-	-	-3.02	-3.04
iii) Adjustment in Restated OCI as above	-0.72	-0.72	0.17	0.02
iv) Tax adjustment of earlier years	-	-	-	-
v) Change in Accounting Policies	-	-	-	-
C. Total impact of adjustments (i+ii+iii+iv+v)	-0.72	-0.72	-2.85	-3.02
D. Total Equity as per Restated Summary Statement	510.44	446.79	403.53	268.14

Notes to adjustments:

i) Adjustments for audit qualification : None

ii) Adjustments due to prior period items / other adjustments: Yes

iii) Material regrouping/ reclassification

Appropriate adjustments have been made in the restated statement of assets and liabilities, restated statement of profit and loss and restated statement of cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31 March 2023, prepared in accordance with Schedule III to the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended)

KRONOX LAB SCIENCES LIMITED

(Previously Known as KRONOX LAB SCIENCES PRIVATE LIMITED)

Statement of Notes to the Restated Financial Statement

PART-B : Non adjusting items

Emphasis of matter in the Auditor's report and other remarks/ comments in the 'CARO'

i) Emphasis of Matters in the Auditor's report and other remarks/ comments in the special purpose interim financial statements three months period ended June 30, 2023 which do not require any corrective adjustments in the Restated Standalone Financial Statement: None

ii) Emphasis of matter in the Auditor's report and other remarks/ comments in the Companies (Auditor's Report) Order, 2020 ('CARO') on the financial statements for the year ended 31 March,2023 which do not require any corrective adjustments in the Restated Standalone Financial Statement: None

iii) Emphasis of matter in the Auditor's report and other remarks/ comments in the Companies (Auditor's Report) Order, 2020 ('CARO') on the financial statements for the year ended 31 March,2022 which do not require any corrective adjustments in the Restated Standalone Financial Statement: None

iv) Emphasis of matter in the Auditor's report and other remarks/ comments in the Companies (Auditor's Report) Order, 2016 ('CARO') on the financial statements for the year ended 31 March,2021 which do not require any corrective adjustments in the Restated Standalone Financial Statement: None

**For Mahesh Udhwani & Associates
(Chartered Accountants)
FRN No : 129738W**

For and on behalf of Board of directors

**Mahesh Udhwani
(Partner)
M. No 047328
UDIN: 23047328BGUTGY8676
Place : Vadodara
Date : 18/11/2023**

**Jogindersingh Jaswal
(Managing Director)
DIN : 02385809**

**Ketan Ramani
(Whole-time Director)
DIN :01510833**

**Pritesh Ramani
(Whole-time Director)
DIN :02392939**

**Nikhil Goswami
CS & Compliance Officer**

**Samir Rajnikantbhai Gadhiya
Chief Financial Officer**

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company for the three months period ended June 30, 2023 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021, together with all the annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available at www.kronoxlabsciences.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (ii) the Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider for subscription to or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The details of accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

(₹ in million except per share data or unless otherwise stated)

Particulars	For the Financial Years/ Period ended			
	For the three months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Revenue from operations	259.52	955.78	822.47	624.60
Total revenue	261.95	974.98	833.40	632.36
Total equity (A)	510.43	446.79	403.53	268.14
Restated profit for the period / year (B)	63.82	166.17	136.27	97.30
Return on Net worth (C) = (B / A) (%)	12.50%*	37.19%	33.77%	36.29%
Restated profit for the period / year (D)	63.82	166.17	136.27	97.30
Weighted average number of equity shares for Basic EPS (E)	37.10	38.55	39.04	40.50
Weighted average number of equity shares for Diluted EPS (F)	37.10	38.55	40.50	40.50
Basic Earnings Per Share (EPS) (G)= (D / E)	1.72	4.31	3.49	2.40
Diluted Earnings Per Share (EPS) (H)= (D / F)	1.72	4.31	3.49	2.40
Total equity (I)	510.43	446.79	403.53	268.14
Number of Equity Shares outstanding at the end of the period / year, after adjustment of bonus issue and buy back (J)	37.10	37.10	38.80	38.80
Net Assets Value (NAV) per Share (I / J)	13.76	12.04	10.40	6.91
EBITDA	85.18	219.96	196.97	148.03
EBITDA Margins (%)	32.82%	23.01%	23.95%	23.70%

*Not Annualised

The ratios have been computed as under:

1. Restated Profit for the period / year attributable to equity shareholders does not include other comprehensive income;
2. Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year/period;

3. Pursuant to a resolution passed at the general meeting of shareholders dated August 09, 2022 and pursuant to Board resolution dated August 16, 2022, the Company allotted 3,88,01,000 Equity Shares of ₹ 10 each, as fully paid-up Equity Shares by way of bonus in the proportion of 161 (One Hundred Sixty One) Equity Share of ₹ 10 each for every existing 1 (One) Equity Share of ₹ 10 each. The impact of bonus issue is retrospectively considered for the computation of weighted average number of Equity Shares, earnings per share and net asset value per Equity Share as per the requirement / principles of Ind AS 33, as applicable, in this chapter and across this Draft Red Herring Prospectus;
4. The Company has bought back 19,38,000 and 9,000 fully paid up Equity Shares of face value of ₹ 10 per share during FY 2022-23 and FY 2020-21 respectively;
5. Basic EPS = Net Profit after tax, as restated, divided by weighted average number of Equity Shares outstanding during the financial year/ period. (as adjusted for change in capital due to subdivision of shares);
6. Diluted EPS = Net Profit after tax, as restated, divided by weighted average number of diluted Equity Shares outstanding during the financial year/ period (as adjusted for change in capital due to sub-division of shares);
7. Net Asset Value per share = Net Worth at the end of the financial year/period divided by total number of Equity Shares outstanding at the end of financial year/ period (as adjusted for change in capital due to issue of Equity Shares by way of bonus);
8. EBITDA= sum of (i) profit for the period/ financial year, (ii) tax expense, (iii) finance costs, and (iv) depreciation and amortisation expenses, less other income.
9. EBITDA Margin= EBITDA divided by revenue from operations;
10. Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued and bought back during the period 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 and effect of issue of Equity Shares by way of bonus has also been provided while computing the weighted average number of Equity Shares.
11. Total Equity / Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation;

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for the three months period ended June 30, 2023 and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, see “*Restated Financial Statements - Note 33(G) - Related Party Transaction*” beginning on page 256.

CAPITALISATION STATEMENT

As on June 30, 2023, there were no outstanding borrowings in our Company. The following table sets forth our Company's capitalisation as at June 30, 2023, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Statements" beginning on pages 268 and 215, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Offer as at June 30, 2023	As adjusted for the Offer#
Total Borrowings		
Current Borrowings (A)	-	[●]
Non – current Borrowings (B)	-	[●]
Total Borrowings (C) = (A)+(B)	-	[●]
Total Equity		
Equity Share Capital (D)	371.04	[●]
Reserve and Surplus (E)	139.39	[●]
Total Equity (F) = (D) + (E)	510.43	[●]
Total Borrowings/Total Equity (C)/(F)	NA	[●]
Non- Current Borrowing / Total Equity (B)/(F)	NA	[●]

These amounts (as adjusted for the Offer) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.

Notes:

1. The above statement has been prepared on the basis of the Restated Financial Statement for the three months ended on June 30, 2023.
2. The corresponding post-Offer capitalisation data for each of the amount in the above table is not determinable at this stage pending the completion of book building process and hence the same have not been furnished.

FINANCIAL INDEBTEDNESS

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding or sanctioned fund-based facilities. For details of the borrowing powers of our Board, please see “*Our Management – Borrowing Powers*” on page 192.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Red Herring Prospectus. Unless otherwise indicated, the following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the three months period ended June 30, 2023 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with IFRS, Companies Act, SEBI Regulations and other relevant accounting practices in India.

The audited Ind AS financial statements of the Company for the three months period ended June 30, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on November 18, 2023 and the audited financial statements as at and for the year ended March 31, 2021 were prepared in accordance with Indian GAAP and the same have been converted into Ind AS by our management to align accounting policies, exemptions and disclosures as adopted by our Company for the transition to Ind AS special purpose audited financial statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Our Business", "Risk Factors" and "Forward-Looking Statements" beginning on pages 158, 30 and 22, respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

Overview

We manufacture High Purity Speciality Fine Chemicals for diversified end user industries. Our High Purity Speciality Fine Chemicals are used mainly as (i) reacting agents and raw material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) excipients in pharmaceutical formulations; (iii) reagents for scientific research and laboratory testing; (iv) ingredients in nutraceuticals formulations; (v) process intermediates and fermenting agents in biotech applications; (vi) ingredients in agrochemical formulations; (vii) ingredients in personal care products; (viii) refining agents in metal refineries; and (ix) ingredients in animal health products, amongst others. Our products are manufactured in accordance with industry standards like IP, BP, EP, JP, USP, FCC, LR, AR, GR and ACS in addition to custom manufacturing specifications, which differ from the industry standards, required by our customers in select cases. We manufacture High Purity Speciality Fine Chemicals of various grades in particle sizes ranging from 10 mesh to 100 mesh. We believe that our focus on product development, diversity in product offerings, meeting quality standards and customer specifications and continuous process improvement has led to repeat orders from our customers over the years.

Our range of more than 185 products spanning across the family of phosphate, sulphate, acetate, chloride, citrate, nitrates, nitrites, carbonate, EDTA derivatives, hydroxide, succinate, gluconate, among others are supplied to customers in India and more than 20 countries globally.

The table below sets forth details of our products (*product family, sub-product group and no. of products*):

Product Family	Product Sub-Group	No. of Products
Phosphate	Ammonium, Calcium, Magnesium, Potassium, Sodium, Others	36
Sulphate	Aluminium, Ammonium, Calcium, Copper, Magnesium, Nickel, Potassium, Sodium, Zinc, Manganous, Others	28
Chloride	Barium, Calcium, Copper, Magnesium, Nickel, Zinc, Manganous, Potassium, Sodium, Others	15
Acetate	Ammonium, Barium, Calcium, Copper, Lead, Magnesium, Potassium, Sodium, Zinc, Others	12
Nitrate and Nitrite	Barium, Calcium, Copper, Lead, Magnesium, Nickel, Potassium, Sodium, Zinc, Others	11
Citrate	Ammonium, Magnesium, Potassium, Sodium, Zinc, Others	10
Carbonate	Ammonium, Calcium, Magnesium, Potassium, Sodium, Others	9
EDTA Derivatives	Potassium, Sodium, Others	6
Hydroxide	Barium, Calcium, Magnesium, Potassium, Sodium, Others	4
Succinate and Gluconate	Sodium, Zinc, Others	3
Others	Aluminum, Ammonium, Calcium, Copper, Lead, Magnesium, Oxalic, Potassium, Sodium, Zinc, Others	54
Total		188

In addition to the manufacturing of products in accordance with various domestic and international standards, we also undertake custom manufacturing to achieve high levels of purity, as specified by the client, having different purity levels than the prescribed industry standards. Custom manufacturing requires deep domain knowledge, expertise and understanding of the characteristics of each chemical and its compounds, including decreasing the level of existing impurities and the processes to be deployed to reach the desired level of purity.

Our products find applications in following industry segments:

Industry Segment	Application
Pharmaceutical Formulations and Active Pharmaceutical Ingredients (APIs)	As excipients in pharmaceutical formulations incl. disintegrants, binders, fillers and bulking agents, as supplements for electrolytes, as chelating agents for enhancement of stability of medications, as reacting agents and raw materials for intermediates
Biotech	As buffers to control the pH of biological solutions, as chelating agents in certain processes involving enzymes or proteins, as chelating agents in cell culture media, as process intermediates, as fermentation agents, as buffer solutions for precipitation and purification of proteins, as cofactor in enzyme reactions and in polymerase chain reaction.
Scientific Research & Laboratory Testing	As drying agents, dehydrating agents and catalysts, as precursors in the synthesis of several organic substances, as complexing agents in analytical chemistry
Nutraceuticals	As ingredients in the nutritional, dietary and health supplement products (incl. bioavailable mineral supplements), as stabilizers in nutraceutical formulations
Agrochemicals	As ingredients in the agrochemical formulations
Personal Care	As chelating agents, stabilizers, or pH adjusters, as additives, as surfactants, as deterioration prevention stabilizers
Metallurgy	As refining agents, complexing agents, fluxing agents, as corrosion inhibitors

Industry Segment	Application
Animal Health	As formulation excipients, stabilizers, stabilizers, preservatives, buffering agents in medications and supplements for animals

We have set up an in-house research, development and testing laboratory (“**RDT Laboratory**”) to develop new products and test our products against the specified industry standards or customer specifications. Our dedicated RDT Laboratory is located in Unit I with the objective to implement a performance-oriented approach with the help of advanced equipment and systems. Our RDT Laboratory is equipped with the necessary facilities to carry out tests required to develop the products. Our RDT team comprises of 16 science graduates and post-graduates who carry out various tests to ensure that the quality of our products meets customer requirements and established industry standards.

Significant developments occurring after June 30, 2023

Except as set out below in the Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations, trading or probability, or the value of our asset or our ability to pay our liabilities within next 12 months:

We have acquired a land admeasuring to 19,213 sq. mtrs. at GIDC - Dahej II Industrial Estate. Consideration for this land has already been paid and an application for assignment of the land to our Company has been made to GIDC.

Principal factors affecting our financial condition and results of operations

Our business, financial performance and results of operations are influenced by a variety of factors, including without limitation, global and domestic competition, demand from our end-user industries, general economic conditions, changes in costs of raw materials and 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.

Dependence on demand from end-user industries

We market and sell our products to end-user industries including pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health. Consequently, our revenues are dependent on the end-use industries that use our products as a raw material, ingredients and / or processing agents. The demand for the end products manufactured by our customer is affected by a number of factors including, but not limited to (a) our customers’ failure to successfully market their products or to compete effectively, (b) loss of market share, which may lead our customers to reduce or discontinue the purchase of our products, (c) economic conditions of the markets in which our customer operates, and global macroeconomic conditions. Further, each end user industry, in particular the pharmaceuticals & biotech, nutraceuticals, agrochemicals and animal health, is subject to applicable regulations. Therefore, our results of operations are dependent on demand from the end-user industries. Decrease in demand from the end-user industries may result in increased inventories which may lead to increase in holding cost thereby impacting our results of operations and financial condition.

Cost and availability of raw materials

Our business is significantly affected by the availability, supply, cost and quality of raw materials. We procure our raw materials essential for manufacturing our products from domestic vendors on a purchase order basis. Our primary raw materials essential to the manufacturing High Purity Speciality Fine Chemicals are citric acid, phosphoric acid, potassium hydroxide, sodium hydroxide, soda ash, potassium carbonate, sodium bicarbonate, acetic acid etc. We usually do not enter into long-term supply contracts with any of our raw material 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 materials suppliers. The terms and conditions on warranties for product quality and return policy are set forth in the purchase orders. Pricing and production volumes are negotiated for each purchase order. There are no contractual commitments other than those set forth in the purchase orders. The purchase price of our raw materials generally follows market prices. During the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, our cost of materials consumed was ₹ 117.65 million, ₹

580.12 million, ₹ 479.84 million and ₹ 343.63 million, which was 45.33%, 60.70%, 58.34%, and 55.02% of our revenue from operations, respectively.

Foreign Exchange Fluctuation Risk

Our revenue from operations also includes revenue from export of our products. This gives us exposure to foreign currencies while we prepare our financial statements in Indian Rupees. For the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, our revenue from operations from exports were ₹ 66.07 million, ₹ 242.68 million, ₹ 192.95 million and ₹ 128.43 million respectively, representing 25.46%, 25.39%, 23.46% and 20.56% of our revenue from operations based on our restated financial statements. We do not hedge our foreign currency exposure. Accordingly, we are affected by fluctuations in exchange rates among the U.S. Dollar, Indian Rupees and other foreign currencies. For the three months period ended June 30, 2023 and Fiscals 2023, 2022 and 2021, we recorded foreign currency exchange gains of ₹ 0.50 million, ₹ 9.48 million, ₹ 3.17 million and ₹ 0.95 million, respectively, due to fluctuations in foreign exchange rates. There can be no assurance that we will continue to record exchange gains only from foreign exchange fluctuations or any hedging measures which we may take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies.

Competition

Our products are used in end-user industries, such as pharmaceuticals, scientific and laboratory research, nutraceuticals, biotech, agrochemicals, personal care, metallurgy and animal health. Despite of entry barriers in the industry, it is inevitable that we face competition for different products that we manufacture primarily from domestic and international manufacturers on the basis of price, product quality, delivery and credit terms. Some of our competitors may be able to produce high purity speciality fine chemicals at competitive costs and, consequently, supply their products at cheaper prices. Such competitors may also have greater financial and technological resources and may also have larger sales and marketing teams. They might be in a better position to identify market trends, adapt to changes in industry, innovate new products, offer competitive prices due to economies of scale and ensure product quality and compliance. We are unable to assure you that we will be able to continue to charge pricing at commercially acceptable levels. Any inability to do so will adversely affect our financial condition and results of operations.

Significant Accounting Policies

For details in relation to significant accounting policies, see “*Restated Financial Statements – Note 1 – Summary statement of significant accounting policies and other explanatory information to the restated financial information*” beginning on page 220.

Key Performance Indicators and Non-GAAP Financial Measures

In addition to our financial results determined in accordance with Ind AS, we consider and use certain non-GAAP financial measures and key performance indicators that are presented below as supplemental measures to review and assess our operating performance. Our management does not consider these non-GAAP financial measures and key performance indicators in isolation or as an alternative or substitutive to the Restated Financial Statements. We present these non-GAAP financial measures and key performance indicators because we believe they are useful to our Company in assessing and evaluating our operating performance, and for internal planning and forecasting purposes. We believe these non-GAAP financial measures could help investors as an additional tool to evaluate our ongoing operating results and trends with a more granular view of our financial performance.

(₹ in million except per share data or unless otherwise stated)

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Revenue from Operations	259.52	955.78	822.47	624.60
EBITDA ⁽¹⁾	85.18	219.96	196.97	148.03
EBITDA Margin (%) ⁽²⁾	32.82	23.01	23.95	23.70

Particulars	For the three months period ended / as on June 30, 2023	For the Financial Year ended / as on March 31, 2023	For the Financial Year ended / as on March 31, 2022	For the Financial Year ended / as on March 31, 2021
Profit After Tax for the Year	63.82	166.17	136.27	97.30
PAT Margin (%) ⁽³⁾	24.36	17.04	16.35	15.39
EPS (Basic & Diluted) ⁽⁴⁾	1.72	4.31	3.49	2.40
Total Borrowings	-	-	6.42	0.13
Net worth	510.43	446.79	403.53	268.14
ROE (%) ⁽⁵⁾	12.50	37.19	33.77	36.29
ROCE (%) ⁽⁶⁾	19.55	49.86	46.27	51.78
Debt - Equity Ratio ⁽⁷⁾	-	-	0.02	Negligible
Fixed Assets Turnover Ratio ⁽⁸⁾	1.65	6.01	9.30	10.87
Net Cash from/ (used in) Operating Activities	105.14	196.65	90.20	113.14
Net Cash from/ (used in) Investing Activities	(49.80)	(55.17)	(75.99)	(29.56)
Net Cash from/ (used in) Financing Activities	-	(133.96)	(6.66)	(70.95)
Revenue CAGR (Fiscal 2021 to 2023) (%)	23.70			
EBITDA CAGR (Fiscal 2021 to 2023) (%)	21.90			
PAT CAGR (Fiscal 2021 to 2023) (%)	30.68			

*EPS, ROCE, ROE and Fixed Asset Turnover Ratio for the three months ended June 30, 2023 have not been annualized.

As certified by Mahesh Udhvani & Associates, Chartered Accountants vide their certificate dated November 22, 2023

Notes:

- 1) EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortisation and impairment expense and reducing other income;
- 2) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations;
- 3) PAT Margin is calculated as restated profit after tax for the year as a percentage of total revenue;
- 4) EPS = Net Profit after tax, as restated, divided by weighted average no. of equity shares outstanding during the year/ period. (as adjusted for change in capital due to bonus shares);
- 5) ROE is calculated as Net profit after tax, as restated, divided by total equity;
- 6) ROCE is calculated as EBIT divided by capital employed (Equity Share capital + Other equity - Revaluation Reserve-Capital Redemption Reserve + Total Debts Current & Non-current – Cash and cash equivalents and other bank balances);
- 7) Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long-term debt, based on Restated Financial Statements;
- 8) Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.

Principle Components of Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our total revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of local sales, export sales, SEZ sales and merchant exports.

Below is the breakdown of our revenue from operations for the period reported:

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Sale of products				
Local sales	174.98	654.46	572.53	459.20
Export sales	66.07	242.68	192.95	128.43
SEZ sales	15.91	49.66	42.66	31.59
Merchant exports	2.56	8.97	14.33	5.38
Total	259.52	955.78	822.47	624.60

We set-out below the industries where our products have been used in various applications as per Restated Financial Statements:

(₹ in million)

Application/ Industry	For three months period ended June 30, 2023		For the Financial Year ended March 31, 2023		For the Financial Year ended March 31, 2022		For the Financial Year ended March 31, 2021	
	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue	Amount	% of revenue
Pharmaceuticals	103.05	39.71	389.78	40.78	337.24	41.00	339.86	54.41
Scientific Research and Laboratory Testing	94.29	36.33	279.23	29.21	267.63	32.54	146.17	23.40
Nutraceuticals	53.56	20.64	245.22	25.66	174.77	21.25	113.88	18.23
Others*	8.63	3.32	41.55	4.35	42.83	5.21	24.70	3.95
Total	259.52	100.00	955.78	100.00	822.47	100.00	624.60	100.00

*Includes: Biotech, Agrochemicals, Personal Care, Metallurgy and Animal Health.

Other Income: Our other income comprises of dividend income, duty drawback, foreign exchange gain, interest income, subsidy received from District Industries Centre (DIC), profit from sale of assets, gain on lease termination, kasar and discount and income from Merchandise Exports from India Scheme (MEIS).

Below is the breakdown of our other income for the period reported:

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Foreign Exchange Gain	0.50	9.48	3.17	0.95
Interest Income	1.48	4.25	3.20	2.78
Duty Drawback	0.44	2.64	1.72	1.25
Gain on lease termination	-	2.62	-	-
Profit on sale of Asset	-	0.11	0.26	0.27
Subsidy Received from District Industries Centre (DIC)	-	0.10	1.23	-
Kasar & Discount	-	0.00	0.01	0.69
Dividend	-	0.00	0.00	0.00
Merchandise Exports from India Scheme (MEIS) Income	-	-	1.33	1.59
Miscellaneous Income	-	-	0.00	0.24

Total	2.43	19.20	10.93	7.76
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Total Expenses

Below is the breakdown of our total expenses for the period reported:

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Cost of materials consumed	117.65	580.12	479.84	343.63
Change in inventories of finished goods, Work in progress and goods-in-transit	16.84	(31.30)	(5.84)	0.45
Employee benefits expenses	18.19	70.27	57.46	53.91
Finance costs	-	0.93	4.05	3.82
Depreciation and amortisation expenses	3.18	14.97	20.29	19.76
Other expenses	21.66	116.73	94.05	78.58
Total	177.52	751.72	649.85	500.15

Our expenses comprise of (i) cost of material consumed, (ii) change in inventories of finished goods, work in progress and goods-in-transit (iii) employee benefits expenses, (iv) finance costs, (v) depreciation and amortisation expenses and (vi) other expenses.

- i. Cost of materials consumed: Cost of material consumed primarily consists of local purchase, import purchase adjusted with opening and closing stock of material.
- ii. Change in inventories of finished goods, work in progress and goods-in-transit: Change in inventories of finished goods, work in progress and goods-in-transit in progress consist of difference between opening and closing balance of work-in-progress, finished goods, and goods-in-transit as at the beginning and end of the year.
- iii. Employee benefits expenses: Our employee benefit expense include director remuneration, salary, wages and bonus, gratuity, contributions to employee benefits funds and staff welfare expenses.
- iv. Finance costs: Our finance costs comprise of bank interest and interest expenses on lease liabilities.
- v. Depreciation and amortisation expenses: Depreciation and amortisation expenses comprise of depreciation on property, plant and equipment and amortisation of right of use asset.
- vi. Other expenses: Our other expenses consist of expenses towards audit fee, power and fuel expenses, factory expenses, freight & transportation expenses, labour charges, penalty, pollution control expenses, telephone and postage, printing & stationary, professional fees, impairment loss recognized on financial assets, increase in authorised capital expenses, insurance, rates & taxes, repair and maintenance expenses, selling and distributors and other administrative and general expenses.

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Selling and distribution	2.78	44.85	42.36	22.18
Labour charges	1.90	25.22	20.60	19.70
Freight & transportation	5.70	20.06	14.09	17.08
Power and fuel	1.47	5.36	4.78	4.11
Professional fees	0.44	4.36	1.09	4.14
Repair & maintenance	1.09	3.79	3.00	3.00
Increase in authorised capital expense	-	2.93	-	-

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
CSR expenses	0.99	2.89	2.62	2.07
Other administrative and general expenses	6.18	2.86	1.29	1.95
Factory expenses	0.19	1.23	1.00	1.78
Rates & taxes	0.13	0.73	0.70	0.20
Pollution control expense	0.19	0.56	0.65	0.58
Insurance	-	0.51	0.34	0.26
Printing & stationary	0.13	0.47	0.32	0.28
Audit fees	0.11	0.45	0.45	0.45
Telephone and postage	0.06	0.28	0.22	0.21
Penalty	-	-	0.10	-
Rent	0.18	-	0.36	0.43
Impairment loss recognized on financial asset	-	(0.07)	(0.08)	0.02
Other expenses	0.13	0.25	0.15	0.13
Total	21.66	116.73	94.05	78.58

Our Results of Operations

The following table sets forth certain information with respect to our results of operation for the three months period ended June 30, 2023 and the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023		For the Financial Year ended March 31, 2023		For the Financial Year ended March 31, 2022		For the Financial Year ended March 31, 2021	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
INCOME								
Revenue from operations	259.52	99.07%	955.78	98.03%	822.47	98.69%	624.60	98.77%
Other income	2.43	0.93%	19.20	1.97%	10.93	1.31%	7.76	1.23%
Total Revenue	261.95	100.00%	974.98	100.00%	833.40	100.00%	632.36	100.00%
EXPENSES								
Cost of materials consumed	117.65	44.91%	580.12	59.50%	479.84	57.58%	343.63	54.34%
Change in inventories of finished goods, work in progress and goods-in-transit	16.84	6.43%	(31.30)	(3.21%)	(5.84)	(0.70%)	0.45	0.07%
Employee benefits expense	18.19	6.95%	70.27	7.21%	57.46	6.89%	53.91	8.53%
Finance costs	-	-	0.93	0.10%	4.05	0.49%	3.82	0.60%
Depreciation and amortisation expenses	3.18	1.22%	14.97	1.53%	20.29	2.43%	19.76	3.12%
Other expenses	21.66	8.27%	116.73	11.97%	94.05	11.29%	78.58	12.43%
Total Expenses	177.52	67.77%	751.72	77.10%	649.85	77.98%	500.15	79.09%
Profit/(Loss) before tax	84.43	32.23%	223.26	22.90%	183.55	22.02%	132.21	20.91%
Tax expense:								
Current tax	21.76	8.31%	57.94	5.94%	47.90	5.75%	35.54	5.62%
Deferred tax	(1.15)	(0.44%)	(0.84)	(0.09%)	(0.62)	(0.07%)	(0.63)	(0.10%)
Profit/(Loss) for the year	63.82	24.36%	166.17	17.04%	136.27	16.35%	97.30	15.39%

Review of results of operations for the three Months period ended June 30, 2023

Total Revenue

Our total revenue was ₹ 261.95 million during the three months period ended June 30, 2023 comprising of revenue from operations and other income.

Revenue from operations: Our revenue from operations was ₹ 259.52 million during the three months period ended June 30, 2023. Our geography wise sales expressed as percentages of revenue from operations for the period on a restated financial statement basis is as follows:

Particulars	For the Three Months period ended June 30, 2023	
	(₹ in million)	%
Local sales	174.98	67.42%
Export sales	66.07	25.46%
SEZ sales	15.91	6.13%
Merchant export	2.56	0.99%
Total	259.52	100.00%

Other Income: Our other income was ₹ 2.43 million for the three months period ended June 30, 2023 primarily comprising of interest income of ₹ 1.48 million, foreign exchange gain of ₹ 0.50 million and duty drawback of ₹ 0.44 million.

Total Expenses

Our total expenses was ₹ 177.52 million for the three months period ended June 30, 2023 primarily comprising of cost of materials consumed, change in inventories of finished goods, work in progress and goods-in-transit, work in progress and goods-in-transit, employee benefits expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of materials consumed: Our cost of materials consumed was ₹ 117.65 million during the three months period ended June 30, 2023 primarily comprising of purchase of raw material of ₹ 127.65 million which was adjusted with opening and closing stock of raw material.

Change in inventories of finished goods, work in progress and goods-in-transit: Our Change in inventories of finished goods, work in progress and goods-in-transit for the three months period ended June 30, 2023 was ₹ 16.84 million comprising of difference between opening and closing stock of finished goods, Work-in-progress and goods-in-transit.

Employee benefits expenses: Our employee benefits expenses was ₹ 18.19 million for the three months period ended June 30, 2023 which comprised of director remuneration of ₹ 12.75 million, salary, wages and bonus of ₹ 3.88 million, gratuity of ₹ 0.70 million, contributions to employee benefits funds of ₹ 0.72 million, and staff welfare expenses of ₹ 0.14 million.

Finance costs: Our finance costs were Nil for the three months period ended June 30, 2023.

Depreciation and amortisation expenses: Our depreciation and amortisation expenses were ₹ 3.18 million for the three months period ended June 30, 2023.

Other expenses: Our other expenses were ₹ 21.66 million for the three months period ended June 30, 2023 primarily comprising of freight & transportation expenses of ₹ 5.70 million, labour charges of ₹ 1.90 million, selling and distribution expenses of ₹ 2.78 million, repair and maintenance of ₹ 1.09 million, power and fuel expenses of ₹ 1.47 million, other administrative and general expenses of ₹ 6.18 million, among others.

Profit before tax: Our profit before tax was ₹ 84.43 million for the three months period ended June 30, 2023 which represented 32.23% of our total revenue.

Tax expenses: Our total tax expense was ₹ 20.61 million for the three months period ended June 30, 2023, comprising of current tax expense of ₹ 21.76 million and deferred tax of ₹ (1.15) million.

Profit after tax: As a result of the foregoing, our profit after tax for the three months period ended June 30, 2023 was ₹ 63.82 million which represented 24.36% of the total revenue.

Result of Operations for the Financial Year 2022-23 compared with Financial Year 2021-22

Particulars	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	% Change
Revenue			
Revenue from operations	955.78	822.47	16.21%
Other income	19.20	10.93	75.71%
Total Revenue	974.98	833.40	16.99%
EXPENSES			
Cost of materials consumed	580.12	479.84	20.90%
Change in inventories of finished goods, work in progress and goods-in-transit	(31.30)	(5.84)	435.95%
Employee benefits expense	70.27	57.46	22.30%
Finance costs	0.93	4.05	(76.99%)
Depreciation and amortisation expense	14.97	20.29	(26.25%)
Other expenses	116.73	94.05	24.12%
Total Expenses	751.72	649.85	15.68%
Profit before tax	223.26	183.55	21.63%
Tax expense:			
Current tax	57.94	47.90	20.97%
Deferred tax	(0.84)	(0.62)	36.85%
Profit after tax	166.17	136.27	21.93%

Total Revenue

Our total revenue increased by ₹ 141.58 million or 16.99% to ₹ 974.98 million for the financial year 2022-23 from ₹ 833.40 million for the financial year 2021-22 due to the factors described below:

Revenue from operations: Our revenue from operations increased by ₹ 133.30 million or 16.21% to ₹ 955.78 million for the financial year 2022-23 from ₹ 822.47 million for the financial year 2021-22 mainly due to increase in local sales by ₹ 81.93 million, export sales by ₹ 49.73 million and SEZ sales by ₹ 7.00 million. However the increase were partially set off by decrease in merchant exports by ₹ 5.36 million.

Particulars	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	% Change
Local sales	654.46	572.53	14.31%
Export sales	242.68	192.95	25.77%
SEZ sales	49.66	42.66	16.41%
Merchant exports	8.97	14.33	(37.39)%
Total	955.78	822.47	16.21%

Other income: Our other income increased by ₹ 8.27 million or 75.71% to ₹ 19.20 million for the financial year 2022-23 from ₹ 10.93 million for the financial year 2021-22 mainly on account of increased in duty drawback by

₹ 0.92 million, foreign exchange gain by ₹ 6.31 million, gain on lease termination by ₹ 2.62 million and interest income by ₹ 1.04 million. However, the increase were partially set off by decrease in Merchandise Exports from India Scheme (MEIS) income by ₹ 1.33 million, subsidy received from District Industries Centre (DIC) by ₹ 1.14 million, profit on sale of asset by ₹ 0.15 million, among others.

Total Expenses

In line with increase in our total revenue, total expenses also increased by ₹ 101.87 million or 15.68% to ₹ 751.72 million for the financial year 2022-23 from ₹ 649.85 million for the financial year 2021-22, due to the factors described below:

Cost of materials consumed: Cost of materials consumed for the financial year 2022-23 increased by ₹100.28 million or 20.90% to ₹ 580.12 million as compared to ₹ 479.84 million in financial year 2021-22. The increase was mainly on account of increase in our local purchase of raw material by ₹ 75.36 million, increase in opening stock by ₹ 14.33 million and decrease in closing stock by ₹ 14.68 million and increase in our overall business activity.

Change in inventories of finished goods, work in progress and goods-in-transit: Our Change in inventories of finished goods, work in progress and goods-in-transit was ₹ (31.30) million in the financial year 2022-23 as against ₹ (5.84) million in the financial year 2021-22. This was primarily due to higher level of closing stock at end of financial year 2022-23 compared to financial year 2021-22.

Employee benefits expenses: Our employee benefits expenses increased by ₹ 12.81 million or 22.30% to ₹ 70.27 million for the financial year 2022-23 from ₹ 57.46 million for the financial year 2021-22. The increase was mainly on account of increase in director remuneration by ₹ 10.00 million, salary, wages and bonus by ₹ 1.79 million, gratuity by ₹ 0.27 million, contributions to employee benefits funds by ₹ 0.55 million, and staff welfare expenses by ₹ 0.21 million.

Finance costs: Our finance costs decreased by ₹ 3.12 million or 76.99% to ₹ 0.93 million for the financial year 2022-23 from ₹ 4.05 million for the financial year 2021-22. Decrease in our finance cost was primarily due to termination of lease liabilities of our Company.

Depreciation and amortisation expenses: Our depreciation & amortisation expenses decreased by ₹ 5.33 million or 26.25% to ₹ 14.97 million for the financial year 2022-23 from ₹ 20.29 million for the financial year 2021-22. Net addition to the depreciable gross block was ₹ 83.80 million in the financial year 2022-23 and ₹ 40.29 million in the financial year 2021-22. Despite of the net addition to the gross block, there was decrease in depreciation expense majorly due to decrease in amortisation expenses by ₹ 8.20 million, led by termination of leased hold property.

Other expenses: Our other expenses increased by ₹ 22.68 million or 24.12% to ₹ 116.73 million for the financial year 2022-23 from ₹ 94.05 million for the financial year 2021-22. The increase was mainly on account of increase in freight & transportation expenses by ₹ 5.97 million, labour charges by ₹ 4.62 million, Professional Fees Expense by ₹ 3.27 million, selling and distribution expenses by ₹ 2.49 million, increase in authorised capital expense by ₹ 2.93 million, repair and maintenance by ₹ 0.79 million and other administrative and general expenses by ₹ 1.57 million, among others. However, the increase was partially offset by decrease in, pollution control expenses by ₹ 0.09 million, rent expenses by ₹ 0.36 million, among others.

Profit before tax: Our profit before tax increased by ₹ 39.71 million or 21.63% to ₹ 223.26 million for the financial year 2022-23 from ₹ 183.55 million for the financial year 2021-22. The increase in profits was primarily on account of increase in our business revenue and cost optimization measures taken during year. Our profit before tax as a % of total revenue was 22.90% for the financial year 2022-23 as against 22.02% for the financial year 2021-22.

Tax expenses: Our tax expenses increased by ₹ 9.82 million or 20.77% to ₹ 57.10 million for the financial year 2022-23 from ₹ 47.28 million for the financial year 2021-22 mainly due to increase in our profit before tax in the financial year 2022-23 over the financial year 2021-22 .

Profit after tax: Led by increase in our business activity, margin improvement and cost rationalisation measures as explained above, our profit after tax increased by 21.93% to ₹ 166.17 million for the financial year 2022-23 from ₹ 136.27 million for the financial year 2021-22.

Result of Operations for the Financial Year 2021-22 compared with Financial Year 2020-21

Particulars	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021	% Change
Revenue			
Revenue from operations	822.47	624.60	31.68%
Other income	10.93	7.76	40.74%
Total Revenue	833.40	632.36	31.79%
EXPENSES			
Cost of materials consumed	479.84	343.63	39.64%
Change in inventories of finished goods, work in progress and goods-in-transit	(5.84)	0.45	(1395.84%)
Employee benefits expense	57.46	53.91	6.58%
Finance costs	4.05	3.82	5.96%
Depreciation and amortisation expense	20.29	19.76	2.69%
Other expenses	94.05	78.58	19.68%
Total Expenses	649.85	500.15	29.93%
Profit before tax	183.55	132.21	38.83%
Tax expense:			
Current tax	47.90	35.54	34.75%
Deferred tax	(0.62)	(0.63)	(2.39%)
Profit after tax	136.27	97.30	40.06%

Total Revenue

Our total revenue increased by ₹ 201.04 million or 31.79% to ₹ 833.40 million for the financial year 2021-22 from ₹ 632.36 million for the financial year 2020-21 due to the factors described below:

Revenue from operations: Our revenue from operations increased by ₹ 197.87 million or 31.68% to ₹ 822.47 million for the financial year 2021-22 from ₹ 624.60 million for the financial year 2020-21 mainly due to increase in local sales by ₹ 113.33 million, export sales by ₹ 64.52 million, SEZ sales by ₹ 11.07 million and merchant export by ₹ 8.95 million.

Particulars	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021	% Change
Local sales	572.53	459.20	24.68%
Export sales	192.95	128.43	50.23%
SEZ sales	42.66	31.59	35.06%
Merchant export	14.33	5.38	166.18%
Total	822.47	624.60	31.68%

Other income: Our other income increased by ₹ 3.16 million or 40.74% to ₹ 10.93 million for the financial year 2021-22 from ₹ 7.76 million for the financial year 2020-21 mainly on account of increase in foreign exchange gain of ₹ 2.22 million, interest income of ₹ 0.42 million, subsidy received from District Industries Centre (DIC) of ₹ 1.23 million and duty drawback of ₹ 0.47 million. However, the increase was partially offset by decrease in kasar & discount of ₹ 0.68 million, Merchandise Exports from India Scheme (MEIS) income of ₹ 0.26 million, profit on sale of asset of ₹ 0.01 million and miscellaneous Income of ₹ 0.24 million.

Total Expenses

In line with increase in our total revenue, total expenses also increased by ₹ 149.70 million or 29.93% to ₹ 649.85 million for the financial year 2021-22 from ₹ 500.15 million for the financial year 2020-21, due to the factors described below:

Cost of materials consumed: Cost of materials consumed for the financial year 2021-22 increased by ₹ 136.21 million or 39.64% to ₹ 479.84 as compared to ₹ 343.63 million in financial year 2020-21. The increase was mainly on account of increase in our local purchase of raw material by ₹ 164.16 million, increase in opening stock by ₹ 4.99 million and decrease in closing stock by ₹ 14.33 million and increase in our overall business activity.

Change in inventories of finished goods, work in progress and goods-in-transit: Our Change in inventories of finished goods, work in progress and goods-in-transit was ₹ (5.84) million in the financial year 2021-22 as against ₹ 0.45 million in the financial year 2020-21. This was primarily due to higher level of closing stock at end of financial year 2021-22 compared to financial year 2020-21.

Employee benefits expenses: Our employee benefits expenses increased by ₹ 3.54 million or 6.58% to ₹ 57.46 million for the financial year 2021-22 from ₹ 53.91 million for the financial year 2020-21. The increase was mainly on account of increase in director remuneration by ₹ 2.00 million, gratuity by ₹ 1.17 million, salary, wages and bonus by ₹ 0.41 million, contributions to employee benefits funds by ₹ 0.12 million. However the increase were partially set off by decrease in staff welfare expenses by ₹ 0.16 million.

Finance costs: Our finance costs increased by ₹ 0.23 million or 5.96% to ₹ 4.05 million for the financial year 2021-22 from ₹ 3.82 million for the financial year 2020-21. Increase in our finance costs was primarily due to vehicle loan availed by our company.

Depreciation and amortisation expenses: Our depreciation & amortisation expenses increased by ₹ 0.53 million or 2.69% to ₹ 20.29 million for the financial year 2021-22 from ₹ 19.76 million for the financial year 2020-21. Net addition to depreciable gross block was ₹ 40.29 million in the financial year 2021-22 and ₹ 10.99 million in the financial year 2020-21.

Other expenses: Our other expenses increased by ₹ 15.47 million or 19.68% to ₹ 94.05 million for the financial year 2021-22 from ₹ 78.58 million for the financial year 2020-21. The increase was mainly on account of increase in selling and distribution expenses by ₹ 20.18 million, labour charges by ₹ 0.90 million, CSR expenses by ₹ 0.55 million, power and fuel expenses by ₹ 0.66 million, rates and taxes by ₹ 0.50 million, among others. However, the increase was partially offset by decrease in Professional fees expense by ₹ 3.05 million, freight & transportation expenses by ₹ 2.99 million, rent expenses by ₹ 0.07 million and other administrative and general expenses by ₹ 0.66 million, among others.

Profit before tax: Our profit before tax increased by ₹ 51.34 million or 38.83% to ₹ 183.55 million for the financial year 2021-22 from ₹ 132.21 million for the financial year 2020-21. The increase in profits was primarily on account of increase in our business revenue and cost optimization measures taken during year. Our profit before tax as a % of total revenue was 22.02% for the financial year 2021-22 as against 20.91% for the financial year 2020-21.

Tax expenses: Our tax expenses increased by ₹ 12.37 million or 35.42% to ₹ 47.28 million for the financial year 2021-22 from ₹ 34.91 million for the financial year 2020-21 mainly due to the increase in our profit before tax in the financial year 2021-22 over the financial year 2020-21.

Profit after tax: Led by increase in our business activity, margin improvement and cost rationalisation measures as explained above, our profit after tax increased by ₹ 38.98 million or 40.06% to ₹ 136.27 million for the financial year 2021-22 from ₹ 97.30 million for the financial year 2020-21.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the three months period ended June 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021:

Particulars	For the Three Months period ended June 30, 2023*	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Fixed Asset Turnover Ratio	1.65	6.01	9.30	10.87
Debt Equity Ratio	-	-	0.02	Negligible
Current Ratio	3.16	3.85	3.21	3.30
Inventory Turnover Ratio	1.52	6.58	7.29	6.53

*Not Annualised

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Figures for property, plant & equipment do not include capital work-in-progress.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as cost of goods sold divided by average inventories, based on Restated Financial Statements.

Liquidity and Capital Resources

Historically, we have been able to finance our capital requirements and the expansion of our business and operations through a combination of funds generated from our operations, equity infusions from shareholders and debt financing, and we expect to continue to do so. Our primary capital requirements are working capital for our operations.

We believe that after taking into account the expected cash to be generated from our business and operations, the Net Proceeds from the Fresh Issue, we will have sufficient capital to meet our anticipated capital requirements for our working capital requirements for the 12 months following the date of this Draft Red Herring Prospectus.

For the three months ended June 30, 2023 and financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 we had cash and cash equivalents (comprising of cash on hand and balances with banks) of ₹ 30.10 million, ₹ 24.83 million, ₹ 2.86 million and ₹ 10.54 million, and balance in fixed deposit of ₹ 60.85 million, ₹ 10.79 million, ₹ 25.24 million and ₹ 10.00 million respectively as per our Restated Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Financial Statements for the three months period ended June 30, 2023 and the financial years ended March 31, 2023, 2022 and 2021:

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Net cash generated from/ (utilized in) operating activities (A)	105.14	196.65	90.20	113.14
Net cash utilized in investing activities (B)	(49.80)	(55.17)	(75.99)	(29.56)
Net cash generated from/ (utilized in) financing activities (C)	-	(133.96)	(6.66)	(70.95)
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	55.34	7.52	7.56	12.63
Cash and cash equivalents at the beginning of the period/ year	35.62	28.10	20.54	7.91

(₹ in million)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Cash and cash equivalents at the end of the period/ year	90.96	35.62	28.10	20.54

Operating Activities

For the Three Months period ended June 30, 2023

Our net cash generated from operating activities was ₹ 105.14 million for the three months period June 30, 2023. Our operating profit before working capital changes was ₹ 86.83 million for the three months period ended June 30, 2023, which was primarily adjusted by payment of income tax of ₹ 21.76 million, decrease in inventories by ₹ 6.84 million, decrease in trade receivables by ₹ 2.11 million, decrease in other current assets by ₹ 0.30 million, increase in trade payables by ₹ 1.97 million and increase in other current liabilities by ₹ 28.85 million.

Financial Year 2022-23

Our net cash generated from operating activities was ₹ 196.65 million for the financial year 2022-23. Our operating profit before working capital changes was ₹ 234.92 million for the financial year 2022-23, which was primarily adjusted by payment of income tax of ₹ 57.94 million, increase in inventories by ₹ 16.62 million, decrease in trade receivables by ₹ 72.56 million, decrease in other current assets by ₹ 0.94 million, decrease in trade payables by ₹ 37.15 million and decrease in other current liabilities by ₹ 0.06 million.

Financial Year 2021-22

Our net cash generated from operating activities was ₹ 90.20 million for the financial year 2021-22. Our operating profit before working capital changes was ₹ 206.89 million for the financial year 2021-22, which was primarily adjusted by payment of income tax of ₹ 47.90 million, increase in inventories by ₹ 20.17 million, increase in trade receivables by ₹ 103.50 million, decrease in non-current assets by ₹ 0.01 million, increase in other current assets by ₹ 0.06 million, increase in trade payables by ₹ 55.00 million and decrease in other current liabilities by ₹ 0.07 million.

Financial Year 2020-21

Our net cash generated from operating activities was ₹ 113.14 million for the financial year 2020-21. Our operating profit before working capital changes was ₹ 154.14 million for the financial year 2020-21, which was primarily adjusted by payment of income tax of ₹ 35.54 million, increase in inventories by ₹ 4.54 million, decrease in trade receivables by ₹ 0.02 million, decrease in non-current assets by ₹ 0.08 million, decrease in other current assets by ₹ 3.95 million, decrease in trade payables by ₹ 4.18 million and decrease in other current liabilities by ₹ 0.77 million.

Investing Activities

For the Three Months period ended June 30, 2023

Net cash used in investing activities was ₹ 49.80 million for the three months period June 30, 2023. This was primarily on account of purchase of fixed assets amounting to ₹ 1.21 million, bank deposit of ₹ 50.07 million, which was partially offset by interest income of ₹ 1.48 million.

Financial Year 2022-23

Net cash used in investing activities was ₹ 55.17 million for the financial year 2022-23. This was primarily on account of purchase of fixed assets amounting to ₹ 84.15 million, which was partially offset by sale of fixed assets of ₹ 0.21 million, interest income of ₹ 4.25 million, maturity of bank deposit of ₹ 15.52 million and receipt of security deposit of ₹ 9.00 million.

Financial Year 2021-22

Net cash used in investing activities was ₹ 75.99 million for the financial year 2021-22. This was primarily on account of purchase of fixed assets amounting to ₹ 37.96 million, bank deposit of ₹ 48.04 million, which was partially offset by sale of fixed assets of ₹ 0.81 million, interest income of ₹ 3.20 million and receipt of security deposit of ₹ 6.00 million.

Financial Year 2020-21

Net cash used in investing activities was ₹ 29.56 million for the financial year 2020-21. This was primarily on account of purchase of fixed assets amounting to ₹ 16.50 million, bank deposit to ₹ 9.14 million and security deposit of ₹ 7.50 million, which was partially offset by sale of fixed assets of ₹ 0.80 million and interest income of ₹ 2.78 million.

Financing Activities

For the Three Months period ended June 30, 2023

Net cash from financing activity for the three months period ended June 30, 2023 was Nil.

Financial Year 2022-23

Net cash used in financing activities for the financial year 2022-23 was ₹ 133.96 million. This was primarily on account of interest expenses of ₹ 0.93 million, decrease in other financial liabilities by ₹ 8.02 million, and buy back of shares of ₹ 125.00 million.

Financial Year 2021-22

Net cash used in financing activities for the financial year 2021-22 was ₹ 6.66 million. This was primarily on account of interest expenses of ₹ 4.05 million and decrease in other financial liabilities by ₹ 8.90 million which was partially set off by proceeds of borrowings of ₹ 6.29 million

Financial Year 2020-21

Net cash used in financing activities for the financial year 2020-21 was ₹ 70.95 million. This was primarily on account of interest expenses of ₹ 3.82 million, repayment of borrowings of ₹ 0.13 million, decrease in other financial liabilities by ₹ 8.19 million and buy back of shares of ₹ 58.81 million.

Financial Indebtedness

As on June 30, 2023, there were no outstanding borrowings in our Company.

Related Party Transactions

Related party transactions with our promoters, certain of our directors their entities and relatives primarily relates to remuneration payable, purchase & sale of goods, purchase of fixed assets, rent expenses, and rent deposit. For further details of such related parties under Ind AS 24, please see “*Restated Financial Statements - Note 33(G) Related Party Transaction*” beginning on page 256.

Contingent Liabilities

There were no contingent liabilities as at June 30, 2023 as per the Restated Financial Statements.

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.

Qualitative Disclosure about Market Risk

Financial Risk Management

Our risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company’s activities. We through

its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

We monitor compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by us. We are also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures.

We are exposed to various types of financial risks during the normal course of business. The financial risks we are exposed to include credit risk, liquidity risk, and market risk.

Credit Risks

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, we also consider the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, we use expected credit loss model to assess impairment loss or gain. We use a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and our historical experience for customers.

We have not made any provision on expected credit loss on trade receivables and other financial assets, based on our estimates. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

Our treasury department within the Finance Department is responsible for liquidity and funding. In addition, policies and procedures relating to such risks are overseen by our management.

Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from the operations.

Market Risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Our business transaction in its functional currency (INR) and in other foreign currencies. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities, where revenue or expense is denominated in a foreign currency.

Capital Management

Our capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders. Our objectives while managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Restated Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

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 215 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “– *Significant Factors Affecting our Results of Operations and Financial Conditions*” and the uncertainties described in “*Risk Factors*” above and on page 30 respectively.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the three months period ended June 30, 2023 and last three financial years are as explained in the part “– *Financial Year 2022-23 compared with financial year 2021-22 and Financial Year 2021-22 Compared with Financial Year 2020-21*” above.

Total turnover of each major industry segment in which the issuer operates

Our Company works under single reportable Industry segment.

Competitive Conditions

We operate in a competitive environment. Please refer to chapter titled “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 158, 93, 30 respectively, for further details on competitive conditions that we face in our business.

Status of any publicly announced new products or business segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

During the three months period ended June 30, 2023 and the Fiscal 2023, Fiscal 2022, Fiscal 2021, we served 233, 342, 309 and 280 customers, respectively. The % of Contribution of our Company’s customers with the revenue from operations for the period ended June 30, 2023 and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 based on Restated Financial Statements are as follows:

(₹ in million, except for percentage)

Particulars	For the Three Months period ended June 30, 2023	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2021
Sales to top ten (10) customers	141.35	484.43	462.03	351.80
Share of top ten (10) customers (%)	52.97%	50.09%	55.76%	55.71%

Seasonality of Business

The nature of our business is not seasonal. For further details, please see, “*Risk Factors*” beginning on page 30 of this Draft Red Herring Prospectus.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Promoters or Directors (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters or Directors in the last five Financial Years including any outstanding action.

In terms of the Materiality Policy, any pending/outstanding litigation involving the Relevant Parties which exceeds the amount which is 1% of our profit after tax, as per the Restated Financial Statements for the last completed financial year i.e. financial year 2023 would be considered as 'material' for our Company. For the Financial Year 2023, our revenue from operations as per the Restated Financial Statements is ₹ 955.78 million. Accordingly, the following types of litigations involving the Relevant Parties have been considered as 'material', and accordingly disclosed in this Draft Red Herring Prospectus, as applicable:

- a) pending civil litigations involving the Relevant Parties which involve an amount of or equal to more than the monetary amount of ₹ 1.68 million; or
- b) other than the litigations covered in (a) above, pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed ₹ 1.68 million; or
- c) where the monetary liability in the pending civil litigations is not quantifiable or doesn't meet the monetary threshold as provided in (a) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial /arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 4.01 million, which is 5% of the total outstanding dues (trade payables) as per the latest financial period in the Restated Financial Statements included in this Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on June 30, 2023, any outstanding dues exceeding ₹ 4.01 million have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal litigations involving our Company

Criminal litigation against our Company

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations initiated against our Company.

Criminal litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no criminal litigations initiated by our Company.

B. Outstanding Material Civil litigations involving our Company

Material Civil litigations against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Company.

Material Civil litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated by our Company.

C. Outstanding actions by Statutory or Regulatory Authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

II. LITIGATIONS INVOLVING OUR PROMOTERS

A. Outstanding criminal litigations involving our Promoters

Criminal litigations against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoters.

Criminal litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoters.

B. Outstanding material civil litigations involving our Promoters

Material Civil litigations against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Promoters.

Material Civil litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Promoters.

C. Outstanding actions by Statutory or Regulatory authorities against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding action initiated by Statutory or Regulatory authorities against our Promoters.

III. LITIGATIONS INVOLVING OUR DIRECTORS

A. Outstanding Criminal litigations involving our Directors

Criminal litigations against our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Directors.

Criminal litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Directors.

B. Outstanding Material Civil litigations involving our Directors

Material Civil litigations against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Directors.

Material Civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Directors.

C. Outstanding actions by Statutory or Regulatory Authorities against any of our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

IV. Tax proceedings

(₹ in million)

Particulars	Number of cases	Amount involved*
<i>Our Company</i>		
Direct Tax	1	0.58
Indirect Tax	NIL	NIL
<i>Our Promoters</i>		
Direct Tax	NIL	NIL
Indirect Tax	NIL	NIL
<i>Our Directors (other than our Promoters)</i>		
Direct Tax	NIL	NIL
Indirect Tax	NIL	NIL

*To the extent quantifiable

V. Outstanding dues to creditors

Our Board, in its meeting held on November 1, 2023 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company on consolidated basis, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on the date of the latest Restated Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Financial Statements, our total trade payables as on June 30, 2023 was ₹ 80.22 million and accordingly, creditors to whom outstanding dues exceed ₹ 4.01 million have been considered as 'material' creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criteria, details of outstanding dues owed as on June 30, 2023 by our Company are set out below:

(₹ in million)

Type of creditor	Number of creditors	Amount involved
Micro, small and medium enterprises	33	29.04
Material creditors	4	24.33
Other creditors	154	26.85
Total	191	80.22

The details pertaining to net outstanding dues towards our material creditors as on June 30, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.kronoxlabsiences.com It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

VI. Material Developments

Except as otherwise disclosed in “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, no circumstances have arisen since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, that could materially and adversely affect or are likely to affect, our trading, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business and operations require various approvals, licenses, registration, and permits issued by relevant regulatory authorities of the jurisdictions in which we operate under applicable law. Set out below is a list of material and necessary approvals, licenses, registrations and permits obtained by our Company for the purposes of undertaking its business activities and operations. Other than as stated below, no further material approvals, licenses, registrations, or permits are required to undertake the Offer or continue our business activities or operations. Additionally, unless otherwise stated, these approvals, licenses, registrations and permits are valid as on the date of this Draft Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course of business and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For details in connection with the applicable regulatory and legal framework, see “Key Regulations and Policies” on page 182. Further, for details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors – In the event we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected” on page 42. For Offer related approvals, see “Other Regulatory and Statutory Disclosures” on page 295 and for incorporation details of our Company, see “History and Certain Corporate Matters” on page 186.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

I. Approvals for the Offer

For details in relation to approvals for the Offer, see “Other Regulatory and Statutory Disclosures-Authority for the Offer” and “The Offer” on pages 295 and 51, respectively.

II. Incorporation Details of our Company

For details regarding the approvals and authorisations obtained by our Company, in relation to our incorporation, see “History and Certain Corporate Matters” on page 186.

III. Material Approvals in relation to our business and operations

Our Company requires various approvals and/or licenses to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

1. License to work a factory:

Sr. No	Particulars	Issuing Authority	License No.	Date of issue / renewal	Expiry Date
1.	Unit I	Joint Director Industrial Safety and Health, Baroda Region	7589	February 05, 2010	December 31, 2024
2.	Unit II	Joint Director Industrial Safety and Health, Baroda Region	20665	March 12, 2015	December 31, 2024
3.	Unit III	Joint Director Industrial Safety and Health, Baroda Region	36451	January 19, 2019	December 31, 2024

2. Environmental registrations:

Sr. No	Particulars	Issuing Authority	Reference No.	Date of issue/ renewal	Expiry Date
1.	Consolidated Consent and Authorization in respect of Unit I under Water Act, Air Act, Hazardous Waste Rules.	Gujarat Pollution Control Board	Consent Order & Authorization No. AWH-107799	April 16, 2020	December 31, 2024
2.	Consolidated Consent and Authorization in respect of Unit II under Water Act, Air Act, Hazardous Waste Rules.	Gujarat Pollution Control Board	Consent Order & Authorization No. AWH-116715	January 21, 2022	September 30, 2026
3.	Consolidated Consent and Authorization in respect of Unit III under Water Act, Air Act, Hazardous Waste Rules.	Gujarat Pollution Control Board	Consent Order & Authorization No. AWH-128299	August 09, 2023	March 31, 2028

3. Certificate of use of Boiler

Sr. No	Particulars	Issuing Authority	Reference No.	Date of issue/ renewal	Expiry Date
1.	Certificate for use of Boiler for the Boiler of the Company in respect of its Unit I	Gujarat Boiler Inspection Department	GT-7527	April 26, 2023	April 25, 2024
2.	Certificate for use of Boiler for the Boiler of the Company in respect of its Unit II	Gujarat Boiler Inspection Department	GT-9005	July 6, 2023	July 5, 2024
3.	Certificate for use of Boiler for the Boiler of the Company in respect of its Unit III	Gujarat Boiler Inspection Department	GT-10101	August 6, 2023	August 5, 2024

4. Employment related registrations:

- i. We have obtained registrations under the Employees' State Insurance Act, 1948, in respect of our Registered office and our manufacturing units.
- ii. We have obtained registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- iii. We have obtained the registration under the Contract Labour (Regulations and Abolition) Act, 1970 to engage labour at our Unit I and Unit II.

5. Other material approvals:

- i. Certificate of verification issued by office of the Controller, Legal Metrology, Gujarat State at all

our Manufacturing Units.

- ii. License of manufacture for sale (or for distribution) of drugs (other than those specified in Schedule C, C(1) and X to the Drugs and Cosmetics Rules, 1945) issued by the Food & Drugs Control Administration, Gujarat under the Drugs and Cosmetics Act, 1940 and the Drugs and Cosmetics Rules, 1945.

IV. Tax related approvals/ registrations

- i. Permanent account number AADCK5355N has been issued to our Company by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
- ii. Tax deduction account number BRDK01617A issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.
- iii. GST identification number 24AADCK5355N1Z8 issued in by the Government of India under the Goods and Services Tax Act, 2017.
- iv. Profession tax registration number 19070190074-1 issued under the Gujarat State Tax on Professional Trades, Callings and Employment Act. 1976

V. Foreign trade related approvals

Our Company has obtained an importer exporter code from the Office of the Joint Director General of Foreign Trade, Vadodara.

VI. Material Approval required or expired but not applied for by our Company

Nil

VII. Material Approvals applied for but not received by our Company

Nil

VIII. Intellectual property

As on the date of this Draft Red Herring Prospectus, our corporate logo “**KRONOX**” is registered under class 1 with the Trademark Registry.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to resolutions passed at their meetings held November 1, 2023, and by our Shareholders pursuant to a special resolution dated November 20, 2023. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated November 1, 2023.

Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated November 24, 2023.

Authorisation by Promoter Selling Shareholders

Each of the Selling Shareholder has, severally and not jointly authorised and confirmed inclusion of their respective portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Promoter Selling Shareholder	Date of the consent letter	Number of Equity Shares and aggregate amount of Offer for Sale
1.	Jogindersingh Jaswal	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million
2.	Ketan Ramani	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million
3.	Pritesh Ramani	October 28, 2023	Up to 26,00,000 Equity Shares aggregating up to ₹ [●] million

Each of the Promoter Selling Shareholders, specifically confirm that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held their portion of the Offered Shares for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are eligible for being offered in the Offer for Sale. For more details, please see “*Capital Structure*” beginning on page 64.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoters, Promoter Selling Shareholders, Directors, the members of the Promoter Group have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

None of the companies with which our 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, Promoter Selling Shareholders, our Promoters, Directors, persons in control of our Corporate Promoter or have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, each of the Promoter Selling Shareholder, Promoters and members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, and to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and none of the companies with which our 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. Further, there is no outstanding action initiated by SEBI against any of the Directors of our Company in the past five years preceding the date of this DRHP.

Eligibility and Transfer Restrictions

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- (a) Our Company has net tangible assets of at least ₹ 30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50 % are held in monetary assets;
- (b) Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- (c) Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- (d) Our Company has not changed its name in the last one year other than for deletion of the word “private” consequent to the conversion of our Company from a private limited company to a public limited company.
- (e) Our Company’s net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, on a restated basis, derived from the Restated Financial Statements included in this Draft Red Herring Prospectus, for last three Fiscals 2023, 2022 and 2021 are set forth below:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated net tangible assets ⁽¹⁾	443.37	375.65	231.34
Restated monetary assets ⁽²⁾	91.46	100.03	45.79
Monetary assets, as a percentage of net tangible assets (in %)	20.63	26.63	19.79
Restated pre-tax operating profit ⁽³⁾	204.99	176.68	128.27
Net worth ⁽⁴⁾	446.79	403.53	268.14

⁽¹⁾ ‘Net tangible assets’ means the sum of all net assets of the Company as applicable excluding intangible assets as defined in Indian Accounting Standard 38 (Ind AS 38) and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013

⁽²⁾ ‘Monetary assets’ means the aggregate of Cash in hand and Balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent)

⁽³⁾ Operating profit has been defined as the profit before tax, other income and finance cost

⁽⁴⁾ ‘Net worth’ means aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for our Company on a restated basis.

Our Company is currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32 of the SEBI ICDR Regulations our Company is required to allocate: (i) not more than 50% of the Net Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Net Offer to Non-Institutional Bidders, one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000; and (iii) not less than 35% of the Net Offer to RIBs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Each of the Selling Shareholder has, severally and not jointly, confirmed that they have held their respective portion of Offered Shares in accordance with applicable law, and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000 failing which, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliances with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 and 7(1) of SEBI ICDR Regulations are as follows:

- a. None of our Company, our Promoters, Selling Shareholders, members of our promoter group, our directors, are debarred from accessing the capital markets by the SEBI.
- b. None of our Directors, our Promoters, are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
- c. None of our Company, our Promoters, our directors, is a willful defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.
- d. None of our Promoters or Directors has been declared a Fugitive Economic Offender.
- e. There are no outstanding warrants, options, or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
- f. Our Company, along with the Registrar to the Company, has entered into tripartite agreements dated September 26, 2019 and October 15, 2019, with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.
- g. The Equity Shares of our Company held by our Promoters are in dematerialised form; and
- h. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO 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 THIS DRAFT RED HERRING PROSPECTUS. THE BRLM, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND PROMOTER SELLING SHAREHOLDERS DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 24, 2023, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM-A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND

DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, Promoter Selling Shareholders, our Promoters, our Directors and the BRLM

Our Company, Promoter Selling Shareholders, our Directors, and the BRLM 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 the instance of the issuer and that anyone placing reliance on any other source of information, including our Company's website at www.kronoxlabsciences.com or any affiliate of our Company would be doing so at his or her own risk.

Unless required by law, Promoter Selling Shareholders accepts no responsibility for any statements made in this Draft Red Herring Prospectus other than those statements or undertakings specifically made or confirmed by respective Promoter Selling Shareholders in relation to themselves and their respective portion of the Offered Shares.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, Promoter Selling Shareholders and our Company.

All information shall be made available by our Company, Promoter Selling Shareholders severally and not jointly (to the extent that the information pertain to their respective portions of the Offered Shares) and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

None among our Company, Promoter Selling Shareholders or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid 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 will be required to confirm, and will be deemed to have represented to our Company, Promoter Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the 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 the Equity Shares. Our Company, Promoter Selling Shareholders, the Underwriters, the BRLM and its 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.

The BRLM and its respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, Promoter Selling Shareholders, members of the Promoter Group, and their respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or their respective affiliates or associates for which they have received, and may in future receive compensation.

Disclaimer in respect of jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 will be subject to the jurisdiction of appropriate court(s) at Mumbai, India 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, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date. 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.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the offer which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the offer 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.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares proposed to be issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges i.e. BSE and NSE. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law. Promoter Selling Shareholders shall to the extent of their portion of the Offered Shares, be responsible to pay, or reimburse, as the case may be, in the proportion that the size of their portion of Offered Shares in the Offer for Sale bears to the total size of the Offer, any interest for such delays in making refunds only in the event any delay in making such refund is caused solely by, and is directly attributable to an act or omission of Promoter Selling Shareholders and in such cases where any delay is not attributable to Promoter Selling Shareholders, the Company shall solely be responsible to pay such interest in the manner agreed under the Offer Agreement.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each of Promoter Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to 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% per annum for the delayed period, as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Promoter Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Promoter Selling Shareholder and to the extent of their portion of the Offered Shares.

Consents

Consents in writing of Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, the BRLM, Legal counsel to the Offer, the Bankers to our Company, Statutory Auditors and the Registrar to the Offer have been obtained; and the consents in writing of the Syndicate Members, Escrow Collection Banks, Public Offer Account Bank, Refund Bank, and Sponsor Bank to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Financial Statements dated November 18, 2023 and in respect of the statement of possible tax benefits dated November 22, 2023. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 4, 2023 from M/s. Adharshila Associates, Independent Chartered Engineer 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 their capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilisation of manufacturing units of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues undertaken by our Company and listed group companies, subsidiaries or associate entities during the last five years

There have been no public issues or rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

Commission or brokerage on previous issues of the Equity Shares during the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the preceding three years

Except as disclosed in the section titled “*Capital Structure*” beginning on page 64, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. Our Group Company is listed on any stock exchange. Further, our Group Company has made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects - Public/ rights issue of our Company

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis- à-vis objects: Public/ rights issue of the listed Subsidiaries and listed Promoter

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company or any listed corporate promoter.

Price information of past issues handled by Pantomath Capital Advisors Private Limited during the current Financial Year and two financial years preceding the current Financial Year

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % 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
1.	V-Marc India Limited	23.40	39.00	April 9, 2021	46.50	-15.48 % (0.08%)	-31.08 % (7.04%)	-17.74% (20.14)

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % 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
2.	Exxaro Tiles Limited	160.78	120.00	August 16, 2021	126.00	23.69% (4.93%)	16.19% (9.30%)	1.07% (4.90%)
3.	A B Cotspin India Limited	10.09	35.00	January 11, 2022	38.50	41.82% (-3.28%)	12.60% (-2.11%)	-3.60% (-10.65%)
4.	Sah Polymers Limited	66.30	65.00	January 12, 2023	85.00	-4.24% (-0.01%)	-12.11% (-1.14%)	13.59% (8.39%)
5.	Urban Enviro Waste Management limited	11.42	100.00	June 22, 2023	141.00	-27.66% (5.19%)	-5.39% (6.02%)	-
6.	Aeroflex Industries Limited	351.00	108.00	August 31, 2023	197.40	-22.59% (1.54%)	-	-
7.	Vishnu Prakash R Punglia Limited	308.60	99.00	September 05, 2023	165.00	0.67% (-0.71%)	-	-
8.	Plaza Wires Limited	71.28	54.00	October 12, 2023	76.00	49.47% (-1.86%)	-	-
9.	Transtee Seating Technologies Limited	49.98	70.00	November 06, 2023	88.90	-	-	-
10.	Sar Televenture Limited	24.75	55.00	November 08, 2023	110.25	-	-	-

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

For details regarding the track record of the Book Running Lead Manager, as specified in the Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the website www.pantomathgroup.com

Note:

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

Summary statement of price information of past issues handled by Pantomath Capital Advisors Private Limited

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day 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%
21-22	3	194.27	-	-	1	-	1	1	-	-	2	-	-	1
22-23	1	66.30	-	-	1	-	-	-	-	-	-	-	-	1
23-24*	6	817.03	-	1	1	-	1	1	-	-	-	-	-	-

*Upto November 24, 2023

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the BRLM at www.pantomathgroup.com.

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, 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 Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares pursuant to the Offer, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer 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 orders or non-receipt of funds by electronic mode, etc. Our Company has appointed Nikhil Goswami, Company Secretary of our Company, as the Compliance Officer for the Offer. For further details, see “*General Information*” beginning on page 57.

All grievances (other than from Anchor Investors) in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. 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 Offer-related grievances of the Anchor Investors may be addressed to the BRLM and the Registrar to the Offer, 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 BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

The Registrar to the Offer 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 Offer accept no responsibility for errors, omissions, commission of any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer 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.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 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 at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in accordance with the provisions of the 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, and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April

20, 2022 the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount, whichever is higher, in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/ partially-allotted applications for the stipulated period. In an event there is a delay in redressal of investor grievances in relation to unblocking of amounts beyond the date of receipt of the complaint, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount, whichever is higher. Further, in terms of SEBI circular 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 Book Running Lead Manager, 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. Further, in terms of the SEBI Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, issued to the Registrars to an Offer and the Share Transfer Agents, provides that the registration granted to such share transfer agents shall be for the principal as well as for all the branch offices in India of the Registrar to an Offer, and shall be declared in its application for obtaining such registration.

By way of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Pursuant to the circular dated March 16, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid/Batch; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalization of the Basis of Allotment.

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/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no. SEBI/HO/CFD/POD2/P/CIR/ 2023/00094 dated June 21, 2023.

Further, helpline details of the BRLM pursuant to 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/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, are provided in the section “General Information” on page 57.

Disposal of Investor Grievances by our Company

Our Company shall 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 SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and SEBI Circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances. Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be seven Working 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 as expeditiously as possible.

Our Company has appointed Nikhil Goswami, our Company Secretary, as our Compliance Officer. For further details, please see “General Information” on page 57.

Our Company has constituted the Stakeholders Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For further information, please see “*Our Management – Stakeholders Relationship Committee*” on page 199.

The Promoter Selling Shareholders have authorised the Company Secretary and Compliance Officer, and the Registrar to the Offer to deal with and redress, on their behalf any investor grievances received in the Offer in relation to their respective portion of the Offered Shares.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Red Herring Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

Other confirmations

Any person connected with the Offer shall not 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 initial public offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus, the CAN (for Anchor Investors), Allotment Advice and other terms and conditions as may be incorporated in the confirmation of allocation notes (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

The Offer

The Offer consists of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Promoter selling Shareholders in the manner agreed to among our Company and the Promoter Selling Shareholders and in accordance with applicable law. For further details in relation to Offer expenses, see “*Objects of the Offer*” on page 74.

Ranking of the Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 214 and 339, respectively.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and other applicable laws including any guidelines or directives that may be issued by the Government of India in this respect. Any dividends declared by our Company, after the date of Allotment, will be payable to the Allottees for the entire year, in accordance with applicable law. For further information, please see the section entitled “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 214 and 339, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 10 each and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Manager, and shall be published at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati daily newspaper) Gujarati being regional language of Gujarat, where our Registered Office and Corporate Office are located), and shall be made available to the Stock Exchanges for the purpose of uploading on their respective 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 at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company (acting through the IPO Committee), in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable law, rules, regulations and the provisions of our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, or e-voting in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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/splitting, see “*Description of Equity Shares and Terms of Articles of Association*” on page 339.

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, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated October 15, 2019 amongst our Company, CDSL and Registrar to the Offer; and
- Tripartite agreement dated September 26, 2019 amongst our Company, NSDL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares to QIBs and RIBs. The Allotment to Non-Institutional Bidders shall not be less than the minimum Non-Institutional application size. For the method of basis of allotment, see “*Offer Procedure*” on page 317.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Nomination facility to Bidder

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, 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 to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. 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, 2013 shall upon the production of such evidence as may be required by the 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 Offer 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 the nomination, they are requested to inform their respective Depository Participant.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC. If our Company, in consultation with the Book Running Lead Manager withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/Offer Programme

BID/OFFER OPENS ON	[●] (1)
BID/OFFER CLOSES ON	[●] (2)(3)

- (1) *Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*
- (2) *Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
- (3) *UPI mandate end time and date shall be at 5.00 pm on the Bid/Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account**	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

***In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 10 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 in the Stock Exchanges bidding 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 Bidder 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 Bid Amount, the Bidder 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 Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with 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/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

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, 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.

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholders or BRLM.

Whilst our Company and the Promoter Selling Shareholders 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 six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable law.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

The Equity Shares offered in the Offer 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 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 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.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, 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/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
Bid/Offer 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 on the Bid/Offer Closing Date.*

On the Bid/Offer 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 Exchanges, in case of Bids by UPI Bidders.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis as per the format prescribed in SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and 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 limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 3.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday).

Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006, and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

In case of any 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 shall be taken as the final data for the purpose of Allotment.

Our Company and the Promoter Selling Shareholders in consultation with the Book Running Lead Manager reserve the right to revise the Price Band during the Bid/Offer 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. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price. The Floor Price shall not be less than the face

value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master Circular for Issue of Capital and Disclosure Requirements. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law. Subject to applicable law, the Promoter Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder, in which case such liability shall be on a several and not joint basis.

The requirement of minimum subscription is not applicable to the Offer for Sale.

In case of undersubscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

In the event of an undersubscription in the Offer, the Equity Shares will be Allotted in the following order:

- i. such number of Equity Shares will first be Allotted by our Company such that 100% of the Fresh Issue portion is subscribed; and
- ii. once Equity Shares have been Allotted as per (i) above, all the Equity Shares held by the Promoter Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder to the aggregate Offered Shares in the Offer for Sale).

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, lock-in of our Promoter’ minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in “*Capital Structure*”, beginning on page 64 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see “*Description of Equity Shares and Terms*

of the Articles of Association”, beginning on page 339.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders, in consultation with the BRLM, reserve the right to not proceed with the Offer, in whole or part thereof, after the Bid/Offer Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLM, decide not to proceed with the Offer, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLM through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, as applicable, to unblock the Bid Amounts in the bank accounts of the ASBA Bidders and the BRLM shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company and the Promoter Selling Shareholders, in consultation with the BRLM, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising a Fresh Issue of up to Equity Shares aggregating up to ₹ 450.00 million by our Company and an Offer for Sale of up to 78,00,000 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholders.

This Offer is being made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulation.

Particulars	QIBs ⁽⁴⁾	Non-Institutional Bidders ⁽⁴⁾	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation ⁽¹⁾	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	<p>Not more than 50% of the Net Offer shall be available for allocation to QIB Bidders.</p> <p>However, upto 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall 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. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs in the remaining Net QIB Portion.</p>	<p>Not less than 15% of the Offer, subject to the following:</p> <p>(i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.0 million; and</p> <p>(ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.0 million.</p> <p>provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.</p>	Not more than 35% of the Offer

Particulars	QIBs⁽⁴⁾	Non-Institutional Bidders⁽⁴⁾	Retail Individual Bidders
Basis of Allotment if respective category is oversubscribed ⁽¹⁾	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Up to [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.</p> <p>Up [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	<p>(a) One-third of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-thirds of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders For further details, please see “Offer Procedure” on page 317</p>	<p>The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, please see “Offer Procedure” beginning on page 317.</p>
Mode of Bidding ⁽²⁾	Through ASBA process only except for Anchor Investors (excluding the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism for an application size of up to ₹500,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹ 0.20 million	Such number of [●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer (excluding the Anchor	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, (excluding the QIB Portion), subject to	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million.

Particulars	QIBs ⁽⁴⁾	Non-Institutional Bidders ⁽⁴⁾	Retail Individual Bidders
	Portion), subject to applicable limits, applicable to each Bidder	applicable limits, applicable to each Bidders.	
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Non-Institutional Portion	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Portion
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialized form		
Trading Lot	One Equity Share		
Who can Apply ⁽³⁾	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, the 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	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices which are classified as Category II FPIs and registered with SEBI.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of Karta)
Terms of Payment	<p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.⁽⁵⁾</p> <p>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 Banks through the UPI Mechanism (for RIBs or individual investors Bidding under the Non-Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million) that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>		
Mode of Bid	Only through the ASBA process (except for Anchor Investors)		

- (1) *Assuming full subscription in the Offer*
- (2) *Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the SEBI has mandated that ASBA applications in the Offer will be processed only after the Bid Amounts are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors and all modes through which the Applications are processed, accept ASBA Forms in their electronic book building platform only with a mandatory confirmation on the Bid Amounts blocked.*
- (3) *The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% 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 all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Our Company and the Promoter Selling Shareholder, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price, which price shall be determined by our Company in consultation with the BRLM. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 317.*

Subject to valid Bids being received at or above the Offer 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 Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. 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. For further details, see "Terms of the Offer" on page 306.

- (4) *If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the members of the Syndicate, 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*
- (5) *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 Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.*

The Bids by FPIs with certain structures as described under the section "Offer Procedure" on page 317 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 Promoter Selling Shareholders, 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 Offer Price, under-subscription, if any, in the Non-Institutional Portion and 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 (acting through the IPO Committee), 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, please see "Terms of the Offer" on page 306.

OFFER PROCEDURE

All Bidders should read the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (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 which is part of the abridged prospectus accompanying the Bid Cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of Confirmation of Allocation Note and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; 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 till 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 RIBs 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/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. 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, introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism. 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). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

Further, SEBI vide its circular bearing reference number 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 investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories 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.

Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. This shall be applicable voluntarily for all public issues opening on or after September 1, 2023 and shall be mandatory for all public issues opening on or after December 1, 2023. The DRHP has been drafted in accordance with phase II of the UPI framework, and also reflects additional measures for streamlining the process of initial public offers. Please note that we may need to make appropriate changes in the Red Herring Prospectus and the Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.

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 (opening on or after September 1, 2022) shall be processed by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories 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.

Our Company, the Promoter Selling Shareholders and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document 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.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Further, our Company, the Promoter Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, 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 Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net 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 Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, 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 and the Promoter Selling Shareholders, in consultation with the BRLM, and the Designated Stock Exchange. 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. In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least 25% of the post-Offer paid-up Equity Share capital of our Company. Bidders will not have the option of being Allotted Equity Shares in physical form.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020, read with press releases dated June 25, 2021, and September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023

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, PAN, and UPI ID, for UPI Bidders Bidding using the UPI Mechanism, 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 Offer, subject to compliance with Applicable Law.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, among others, 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. The board of directors of the SEBI, on June 28, 2023, have approved the proposal to reduce the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The above timeline will be applicable on a voluntary basis for public issues opening on or after September 1, 2023 and on a mandatory basis for public issues opening on or after December 1, 2023. As of the date of this Draft Red Herring Prospectus, the SEBI has not issued any circulars or notifications in connection with the reduction in timeline for listing of equity shares pursuant to public issues.

Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the SEBI 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.

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. Under this phase, submission of the physical ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. 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 till further notice. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The Phase III shall commence voluntarily for all public issues opening on or after September 1, 2023 and shall be mandatory for all public issues opening on or after December 1, 2023 as per the SEBI Circular No. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. In this phase, the time duration from public issue closure to listing is reduced to three Working Days. Accordingly, we may need to make appropriate changes in the Red Herring Prospectus and the Prospectus depending upon the prevailing phase at the timing of the opening of the Offer.

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 the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M 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 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 day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized 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-Offer BRLM will be required to compensate the concerned investor.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office are located) on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

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 Sponsor Banks 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 using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

UPI Bidders using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorization 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 no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

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. Retail Individual Bidders authorizing 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.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis [^]	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis [^]	[●]
Anchor Investors ^{**}	[●]

**Excluding electronic Bid cum Application Forms*

***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.*

[^]Electronic Bid cum Application forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com)

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through the UPI Mechanism) 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 using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks 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 UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Banks, NPCI or the bankers to an 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 Banks and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NII and QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism 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.

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 on compliance with the UPI Circulars. The Sponsor Banks 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 Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks 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 UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer 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 Offer Bidding process.

Electronic registration of Bids

- (a) The Designated Intermediary may register the Bids using the online 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 online facilities for Book Building on a regular basis before the closure of the Offer.
- (b) On the Bid/Offer 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 Draft 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 next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by our Promoters, Promoter Group, the Book Running Lead Manager and the Syndicate Members and persons related to Promoters/Promoter Group/the Book Running Lead Manager and Syndicate Members.

The BRLM and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, 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 BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as disclosed below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Offer 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, the Promoters and members of their respective Promoter Groups, except to the extent of their respective Offered Shares, shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoters and their respective Promoter Groups shall not apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if: (a) 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 (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

Further, except for the sale of Equity Shares by the Promoter Selling Shareholder in the Offer, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

- (i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on the Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. 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.

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 the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value 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, exchange traded funds, or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

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 or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts (NRE Account), or Foreign Currency Non-Resident Accounts (FCNR Account), and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (NRO) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents [●] (in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

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 general body of the Indian company.

For details of restrictions on investment by NRIs, please see the section entitled "*Restrictions on Foreign Ownership of Indian Securities*" on page 313. Participation of Eligible NRIs shall be subject to the FEMA Regulations

Bids by HUFs

Bids by Hindu Undivided Families or HUFs are required to be made 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 as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of the post-Offer paid-up capital.

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 Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

If 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. 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 Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA Non-Debt Instruments Rules was enacted on October 17,2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI 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 as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (“MIM”) structure
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration
- 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

- Multiple branches in different jurisdictions of foreign bank registered as FPIs
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

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 any of the above-mentioned structures 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 shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

For details of restrictions on investment by NRIs, please see the section entitled “*Restrictions on Foreign Ownership of Indian Securities*” on page 313.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (SEBI AIF Regulations) prescribe, amongst others, the investment restrictions on AIFs. 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. The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the 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. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

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.

Our Company, the Promoter Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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 and the Promoter Selling Shareholders in consultation with the BRLM 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 BRLM, reserves 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 (Banking Regulation Act), and Master Direction –Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. 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: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer 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 bids.

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, the Company in consultation with BRLM and the Promoter Selling Shareholders, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (IRDA Investment Regulations), and are 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. Bidders are advised to refer to the IRDA 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 ₹ 250 million, 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 BRLM 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 NBFCs 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) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer 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 under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

Our Company and the Selling Shareholder in consultation with the BRLM, 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, subject to such terms and conditions that our Company and the Promoter Selling Shareholders in consultation with the BRLM, may deem fit.

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. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the office of the BRLM.

Neither the (a) the BRLM or any associate of the BRLM (other than mutual funds sponsored by entities which are associate of the BRLM or insurance companies promoted by entities which are associate of the BRLM or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLM or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLM) 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. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

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, among the Anchor Investors and any BRLM.

The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. 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 ₹ 100 million.

One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date and will be completed on the same day.

Our Company, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

- (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
- (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
- (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such

investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. 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 BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

50% 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 and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company and the BRLM 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 specified in this Draft Red Herring Prospectus or as will be specified in the Red Herring Prospectus and the Prospectus. 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.

In accordance with RBI regulations, OCBs cannot participate in this Offer.

Certain 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 BRLM 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/ Offer Period and withdraw or lower the size of their Bid(s) until Bid/ Offer Closing Date.

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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
4. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
5. UPI Bidder using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
6. UPI Bidders shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only
9. 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. UPI Bidders, may submit their ASBA Forms with Syndicate Member, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, 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. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, 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 beneficiary 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;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. 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;
19. 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;
20. 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, are submitted;
21. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
22. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA 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 NIBs, 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 <http://www.sebi.gov.in>);
24. 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 Offer, which is UPI 2.0 certified by NPCI;
25. The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
26. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders 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,

27. UPI Bidders bidding using the UPI Mechanism 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;
28. UPI Bidders using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website and is also appearing in 'Annexure A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/20189/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website or 'Annexure A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/20189/85 dated July 26, 2019 is liable to be rejected;
29. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
30. UPI Bidders should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
31. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
32. 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;
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Offer Closing Date;
34. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were 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 are liable to be rejected;
35. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
36. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) 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) or such other websites as updated from time to time);
37. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, 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;
38. UPI Bidders Bidding through the 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/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

39. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 0.20 million would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 0.20 million would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

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 size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
10. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Offer 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;
13. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
17. Do not submit the General Index Register (GIR) number instead of the PAN;
18. Do not Bid for a Bid Amount exceeding ₹ 0.20 million (for Bids by Retail Individual Investors)

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders in the UPI-linked bank account where funds for making the Bid are available;
21. 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 Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Offer Closing Date;
22. 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;
23. 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;
24. 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;
25. 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);
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not Bid on another Bid cum Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
28. 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;
29. UPI Bidders Bidding through the UPI Mechanism 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;
30. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
31. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders); and
32. Do not Bid if you are an OCB.

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 may be 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 Bank);

6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Bids submitted without the signature of the First Bidder or sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
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 ₹ 0.20 million;
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/ Offer Closing Date and by Non-Institutional Investors uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/Offer 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.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the March 2021 Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. Further, helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 see, “*General Information*” on page 57.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please see “*General Information*” on page 57.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar to the Offer, 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.

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 the Offer through the

Offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs 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 Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Anchor Investor Escrow Account

Our Company, in consultation with the BRLM and the Promoter Selling Shareholders, in their absolute discretion, 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 favour 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 Promoter Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office are located)

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer 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 advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office and Corporate Office are located)

The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate 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/applicants 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, the Promoter Selling Shareholders, the Underwriters, and the Registrar to the Offer intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price which shall be a date prior to the filing of Prospectus. After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders (including Anchor Investor Application Form from Anchor Investors);
- the complaints received in respect of the Offer 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 all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI or under any applicable law;
- 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;
- it shall not issue any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer;
- 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 Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time 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;
- If our Company in consultation with the Book Running Lead Manager and the Promoter Selling Shareholders, withdraw the Offer after the Bid/Offer Closing Date but prior to Allotment and the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly; thereafter determines that it will proceed with a Offer of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges; and
- except for the allotment of Equity Shares pursuant to the Pre-IPO Placement, no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc;

Undertakings by the Promoter Selling Shareholders

The Promoter Selling Shareholders, severally and not jointly undertake the following:

- they are the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale;
- the Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI;
- the Equity Shares offered for sale by the Promoter Selling Shareholders in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the Equity Shares being offered for sale by the Promoter Selling Shareholders pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;
- that it shall provide all reasonable co-operation as requested by our Company to the extent of the Offered Shares of each of the Selling Shareholder in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and completion of the necessary formalities for listing and commencement of trading of its portion of the Offered Shares on the Stock Exchanges and refund orders to the extent of their portion of the Offered Shares;
- it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;
- that it shall provide such reasonable assistance to our Company and the BRLM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;
- it shall provide such reasonable support and cooperation to our Company and the BRLM in relation to the Equity Shares offered by it in the Offer for Sale for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges; and
- it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The statements and undertakings provided above, in relation to the Promoter Selling Shareholders, are statements which are specifically confirmed or undertaken by the Promoter Selling Shareholders in relation to themselves and the Offered Shares.

Utilization of Net Proceeds

Our Company declares that:

- (i) all monies received out of the Fresh 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, 2013;
- (ii) details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- (iii) details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

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 Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, earlier known as Department of Industrial Policy and Promotion (“**DPIIT**”) issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDIPolicy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

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 FDI Policy and transfer does not attract the provisions of the Takeover 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. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see “*Offer Procedure*” on page 317.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, 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 of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments 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 of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. 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 to the Offer in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares 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, 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 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 and the applicable laws of each 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 issued or sold, and Bids 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 BRLM are not liable for any amendments or modification or changes in applicable laws 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 applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

TABLE 'F' APPLICABLE

1. No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

INTERPRETATION

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:
 - (a) "**The Act**" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.
 - (b) "**These Articles**" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.
 - (c) "**Auditors**" means and includes those persons appointed as such for the time being of the Company.
 - (d) "**Capital**" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
 - (e) The Company is a "PUBLIC COMPANY"
 - (f) "**Executor**" or "**Administrator**" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
 - (g) "**Legal Representative**" means a person who in law represents the estate of a deceased Member.
 - (h) Words importing the masculine gender also include the feminine gender.
 - (i) "**In Writing**" and "**Written**" includes printing lithography and other modes of representing or reproducing words in a visible form.
 - (j) The marginal notes hereto shall not affect the construction thereof.
 - (k) "**Meeting**" or "**General Meeting**" means a meeting of members.
 - (l) "**Month**" means a calendar month.
 - (m) "**Annual General Meeting**" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.
 - (n) "**Extra-Ordinary General Meeting**" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

- (o) "**National Holiday**" means and includes a day declared as National Holiday by the Central Government.
- (p) "**Non-retiring Directors**" means a director not subject to retirement by rotation.
- (q) "**Office**" means the registered Office for the time being of the Company.
- (r) "**Ordinary Resolution**" and "**Special Resolution**" shall have the meanings assigned thereto by Section 114 of the Act.
- (s) "**Person**" shall be deemed to include corporations and firms as well as individuals.
- (t) "**Proxy**" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.
- (u) "**The Register of Members**" means the Register of Members to be kept pursuant to Section 88 (1) (a) of the Act.
- (v) "**Seal**" means the common seal for the time being of the Company.
- (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.
- (x) "**The Statutes**" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
- (y) "**These presents**" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- (z) "**Variation**" shall include abrogation; and "**vary**" shall include abrogate.
- (aa) "**Year**" means the calendar year and "**Financial Year**" shall have the meaning assigned thereto by Section 2(41) of the Act.

CAPITAL

3. "**Authorized Capital**" means the Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.
4. "**Increase of capital by the Company how carried into effect**" means that the Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
5. "**New Capital same as existing capital**" means except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6. "**Non Voting Shares**" means the board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations,

notifications and enforceable guidelines for the time being in force.

7. **"Redeemable Preference Shares"** are subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.
8. **"Voting rights of preference shares"** means the holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9. **"Provisions to apply n issue of Redeemable Preference Shares"** shall be on the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:
 - a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;
 - b) No such Shares shall be redeemed unless they are fully paid;
 - c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;
 - d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
 - e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.
10. **"Reduction of capital"** means the Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce
 - (a) the share capital;
 - (b) any capital redemption reserve account; or
 - (c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

11. **"Debentures"** means any debentures, debenture-stock or other securities may be issued at a discount, 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, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
12. **"Issue of Sweat Equity Shares"** means that the Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.
13. **"ESOP"** means that the Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

14. **"Buy Back of shares"** means notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.
15. **"Consolidation, Sub-Division And Cancellation"** is subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
16. **"Issue of Depository Receipts"** is subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.
17. **"Issue of Securities"** is subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

MODIFICATION OF CLASS RIGHTS

18. (a) **"Modification of rights"** means if at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.
- (b) **"New Issue of Shares not to affect rights attached to existing shares of that class"** means the rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.
19. **"Shares at the disposal at the Directors"** is subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors 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 and at such time as they may from time to time think fit 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 Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
20. **"Power to issue shares on preferential basis"** means the Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

21. **"Shares should be Numbered progressively and no share to be subdivided"** means the shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub- divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
22. **"Acceptance of Shares"** shall mean an application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.
23. **"Directors may allot shares as full paid-up"** shall be subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or 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 in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.
24. **"Deposit and call etc. to be a debt payable immediately"** means the money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.
25. **"Liability of Members"** means every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.
26. **"Registration of Shares"** means Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

27. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on **allotments** contained in Sections 39 of the Act.

CERTIFICATES

28. (a) **"Share Certificates"** means every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid- up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a 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 of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other

person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

29. **"Issue of new certificates in place of those defaced, lost or destroyed"** means if any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. 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.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

30. (a) **"The first named joint holder deemed Sole holder"** means If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.
- (b) **"Maximum number of joint holders"** means the Company shall not be bound to register more than three persons as the joint holders of any share.
31. **"Company not bound to recognize any interest in share other than that of registered holders"** means Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
32. **"Installment on shares to be duly paid"** means if by the conditions of allotment of any share the

whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

UNDERWRITING AND BROKERAGE

33. "**Commission**" means subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
34. "**Brokerage**" means the Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

CALLS

35. "**Directors may make calls**" means
- (a) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.
 - (b) A call may be revoked or postponed at the discretion of the Board.
 - (c) A call may be made payable by installments.
36. "**Notice of Calls**" means Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
37. "**Calls to date from resolution**" means a call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
38. "**Calls on uniform basis**" means whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
39. "**Directors may extend time**" means the Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.
40. "**Calls to carry interest**" means if any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
41. "**Sums deemed to be calls**" means if by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
42. "**Proof on trial of suit for money due on shares**" means on the trial or hearing of any action or suit

brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

43. **"Judgment, decree, partial payment motto proceed for forfeiture"** means neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.
44. **"Payments in Anticipation of calls may carry interest"** means
- (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

LIEN

45. **"Company to have Lien on shares"** means the Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
46. **"As to enforcing lien by sale"** means for the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

47. **"Application of proceeds of sale"** means the net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

FOREFEITURE AND SURRENDER OF SHARES

48. **"If call or installment not paid, notice maybe given"** means if any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.
49. **"Terms of notice"** means the notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

50. **"On default of payment, shares to be forfeited"** means if the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.
51. **"Notice of forfeiture to a Member"** means when any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.
52. **"Forfeited shares to be property of the Company and maybe sold etc."** means any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re- allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.
53. **"Members still liable to pay money owing at time of for feature and interest"** means any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.
54. **"Effect of forfeiture"** means the forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

55. **"Evidence of Forfeiture"** means a declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.
56. **"Title of purchaser and allottee of Forfeited shares"** means the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: 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 other disposal of the shares.
57. **"Cancellation of share certificate in respect of forfeited shares"** means upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.
58. **"Forfeiture may be remitted"** means in the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.
59. **"Validity of sale"** means upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of 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 the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
60. **"Surrender of shares"** means the Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

TRANSFER AND TRANSMISSION OF SHARES

61. **"Execution of the instrument of shares"** means
- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
 - (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
62. **"Transfer Form"** means the instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.
- The instrument of transfer shall be in a common form approved by the Exchange;
63. **"Transfer not to be registered except on production of instrument of transfer"** means the Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument

of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

64. **"Directors may refuse to register transfer"** is subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—

(a) any transfer of shares on which the company has a lien.

That registration of transfer shall however 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;

65. **"Notice of refusal to be given to transferor and transferee"** means if the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

66. **"No fee on transfer"** means no fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

67. **"Closure of Register of Members or debenture holder or other security holders"** means the Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security 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 at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

68. **"Custody of transfer Deeds"** means the instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

69. **"Application for transfer of partly paid shares"** means where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

70. **"Notice to transferee"** means for this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

71. **"Recognition of legal representative"** means

(a) 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 person recognized by the Company as having any title to his interest in the shares.

- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

72. **"Titles of Shares of deceased Member"** means the Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.
73. **"Notice of application when to be given"** means where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
74. **"Registration of persons entitled to share otherwise than by transfer. (transmission clause)"** means subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.
75. **"Refusal to register nominee"** means subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
76. **"Board may require evidence of transmission"** means every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
77. **"Company not liable for disregard of a notice prohibiting registration of transfer"** means the Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any

equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

78. **"Form of transfer Outside India"** means in the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.
79. **"No transfer to insolvent etc"** means no transfer shall be made to any minor, insolvent or person of unsound mind.

NOMINATION

80. **"Nomination"** means
- (a) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
 - (b) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014
 - (c) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
 - (d) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.
81. **"Transmission of Securities by nominee"** means A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-
- (a) to be registered himself as holder of the security, as the case may be; or
 - (b) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
 - (c) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
 - (d) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends,

bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

DEMATERIALIZATION OF SHARES

82. **"Dematerialization of Securities"** means subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.

JOINT HOLDER

83. **"Joint Holders"** means where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

- 84.
- (a) **"Joint and several liabilities for all payments in respect of shares"** means the Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
 - (b) **"Title of survivors"** means on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;
 - (c) **"Receipts of one sufficient"** means any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and
 - (d) **"Delivery of certificate and giving of notices to first named holders"** means 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 delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

SHARE WARRANTS

85. **"Power to issue share warrants"** means The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

86. **"Deposit of share warrants"** means
- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.
 - (b) Not more than one person shall be recognized as depositor of the Share warrant.
 - (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

87. **"Privileges and disabilities of the holders of share warrant"** means

- (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

88. **"Issue of new share warrant coupons"** means the Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK

89. **"Conversion of shares into stock or reconversion"** means the Company may, by ordinary resolution in General Meeting.

- (a) convert any fully paid-up shares into stock; and
- (b) re-convert any stock into fully paid-up shares of any denomination.

90. **"Transfer of stock"** means the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.

91. **"Rights of stock holders"** means the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

92. **"Regulations"** means such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

BORROWING POWERS

93. **"Power to borrow"** means subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture- stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co- operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

94. **"Issue of discount etc. or with special privileges"** means subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

95. **"Securing payment or repayment of Moneys borrowed"** means the payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.
96. **"Bonds, Debentures etc. to be under the control of the Directors"** means any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
97. **"Mortgage of un called Capital"** means if any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
98. **"Indemnity may be given"** subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

MEETINGS OF MEMBERS

99. **"Distinction between AGM & EGM"** means all the General Meetings of the Company other than Annual General Meetings shall be called Extra- ordinary General Meetings.
- 100.
- (a) **"Extra-Ordinary General Meeting by Board and by requisition"** means Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra- Ordinary General Meeting of the members
- (b) **"When a Director or any two Members may call an Extra Ordinary General Meeting"** means if at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.
101. **"Meeting not to transact business not mentioned in notice"** means no General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
102. **"Chairman of General Meeting"** means the Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.

103. **"Business confined to election of Chairman whilst chair is vacant"** means no business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
104. **"Chairman with consent may adjourn meeting"** means
- (a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - (b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - (c) 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.
 - (d) Save as aforesaid, and as provided in section 103 of 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.
105. **"Chairman's casting vote"** means in the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.
106. **"In what case poll taken without adjournment"** means any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.
107. **"Demand for poll not to prevent transaction of other business"** means the demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

108. **"Members in arrears not to vote"** means no Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.
109. **"Number of votes each member entitled"** means subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.
110. **"Casting of votes by a member entitled to more than one vote"** means on a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
111. **"Vote of member of unsound mind and of minor"** means a member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

112. **"Postal Ballot"** means notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.
113. **"E-Voting"** means a member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
114. **"Votes of joint members"** means
- (a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.
- (b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
115. **"Votes may be given by proxy or by representative"** means Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles.
116. **"Representation of a body corporate"** means a body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.
- 117.
- (a) **"Member's paying money in advance"** means a member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.
- (b) **"Members not prohibited if share not held for any specified period"** means a member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.
118. **"Votes in respect of shares of deceased or insolvent members"** means any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.
119. **"No votes by proxy on show of hands"** means no Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director

or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

120. **"Appointment of proxy"** means the instrument appointing a proxy and the power- of-attorney or other authority, if any, under which it is signed or a notarised 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, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
121. **"Form of proxy"** means an instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
122. **"Validity of votes given by proxy notwithstanding death of a member"** means a vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.
123. **"Time for objections to votes"** means no objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
124. **"Chairperson of the Meeting to be the judge of validity of any vote"** means any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

DIRECTORS

125. **"Number of Directors"** means until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution.
126. **"Qualification shares"** means a Director of the Company shall not be bound to hold any Qualification Shares in the Company.
127. **"Nominee Directors"** means
- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement
 - (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
 - (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

- (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.
128. **"Appointment of alternate Director"** means the Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.
129. **"Additional Director"** means subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.
130. **"Directors power to fill casual vacancies"** means subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
131. **"Sitting Fees"** means until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.
132. **"Travelling expenses Incurred by Director on Company's business"** means the Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

PROCEEDING OF THE BOARD OF DIRECTORS

133. **"Meetings of Directors"** means
- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
134. **"Chairperson"** means
- (a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.
- (b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.
135. **"Questions at Board meeting how decided"** means questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.
136. **"Continuing directors may act notwithstanding any vacancy in the Board"** means 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.

137. **"Directors may appoint committee"** means subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
138. **"Committee Meeting show to be governed"** means the Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
139. **"Chairperson of Committee Meetings"** means
- (a) A committee may elect a Chairperson of its meetings.
 - (b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
140. **"Meetings of the Committee"** means
- (a) A committee may meet and adjourn as it thinks fit.
 - (b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
141. **"Acts of Board or Committee shall be valid not with standing defect in appointment"** means subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

RETIREMENT AND ROTATION OF DIRECTORS

142. **"Power to fill casual vacancy"** means subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

POWERS OF THE BOARD

143. **"Powers of the Board"** means the business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

144. **"Certain powers of the Board"** means without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say
145. **"To acquire any property, rights etc"** means subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.
146. **"To take on Lease"** means subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out- houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.
147. **"To erect & construct"** means to erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.
148. **"To pay for property"** means at their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
149. **"To insure properties of the Company"** means to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
150. **"To open Bank accounts"** means to open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.
151. **"To secure contracts by way of mortgage"** means to secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.
152. **"To accept surrender of shares"** means to accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.
153. **"To appoint trustees for the Company"** means to appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.
154. **"To conduct legal proceedings"** means to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign

law and either in India or abroad and observe and perform or challenge any award thereon.

155. **"Bankruptcy & Insolvency"** means to act on behalf of the Company in all matters relating to bankruptcy insolvency.
156. **"To issue receipts & give discharge"** means to make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.
157. **"To invest and deal with money of the Company"** means subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
158. **"To give Security byway of indemnity"** means to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
159. **"To determine signing powers"** means to determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.
160. **"Commission or share in profits"** means to give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.
161. **"Bonus etc. to employees"** means to give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.
162. **"Transfer to Reserve Funds"** means to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.
163. **"To appoint and remove officers and other employees"** means to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time

think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

164. **"To appoint Attorneys"** means at any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
165. **"To enter into contracts"** means subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
166. **"To make rules"** means from time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
167. **"To effect contracts etc."** means to effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.
168. **"To apply & obtain concessions licenses etc."** means to apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.
169. **"To pay commissions or interest"** means to pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.
170. **"To redeem preference shares"** means to redeem preference shares.
171. **"To assist charitable or benevolent institutions"** means to subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
172. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
173. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
174. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing,

to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

175. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.
176. To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.
177. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
178. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
179. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
180. To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.
181. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.
182. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

MANAGING AND WHOLE-TIME DIRECTORS

183. **"Powers to appoint Managing/Whole time Directors"** means
 - (a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, 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.
 - (b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such

Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

184. **"Remuneration of Managing or Whole time Director"** means the remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.
185. **"Powers and duties of Managing Director or Whole-time Director"** means
- (a) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day- to-day management functions among such Directors and in any manner as may be directed by the Board.
 - (b) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.
 - (c) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
 - (d) The Managing Director shall be entitled to sub- delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
 - (e) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

186. **"Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer"** means
- (a) Subject to the provisions of the Act,—
 - i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
 - (b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and

as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

187. **"The seal, its custody and use"** means
- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
 - (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.
188. **"Deeds how executed"** means the seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDEND AND RESERVES

189. **"Division of profits"** means
- (a) 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.
 - (b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
 - (c) 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.
190. **"The company in General Meeting may declare Dividends"** means the Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.
191. **"Transfer to reserves"** means
- (a) 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 applicable 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 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.
 - (b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
192. **"Interim Dividend"** means subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

193. **"Debts may be deducted"** means the Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
194. **"Capital paid up in advance not to earn dividend"** means no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.
195. **"Dividends in proportion to amount paid-up"** means 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 dividends as from a particular date such share shall rank for dividend accordingly.
196. **"Retention of dividends until completion of transfer under Articles"** means the Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
197. **"No Member to receive dividend whilst in debted to the company and the Company's right of reimbursement thereof"** means no member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.
198. **"Effect of transfer of shares"** means a transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
199. **"Dividend to joint holders"** means any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
200. **"Dividends how remitted"** means
- (a) Any dividend, interest or other monies payable in cash in respect of shares may be paid 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.
 - (b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
201. **"Notice of dividend"** means notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
202. **"No interest on Dividends"** means no unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

CAPITALIZATION

203. **"Capitalization"** means
- (1) The Company 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) amongst the members who would have been entitled thereto, if distributed by way

of dividend and in the same proportions.

- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) 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 of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - (c) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

204. **"Fractional Certificates"** means

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —
 - (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and
 - (b) generally to do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
 - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
 - (b) to authorise 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 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 the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

205. **"Inspection of Minutes Books of General Meetings"** means

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

206. **"Inspection of Accounts"** means

- (a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or

any of them, shall be open to the inspection of members not being directors.

- (b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

FOREIGN REGISTER

- 207. **"Foreign Register"** means the Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

DOCUMENTS AND SERVICE OF NOTICES

- 208. **"Signing of documents & notices to be served or given"** means any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.
- 209. **"Authentication of documents and proceedings"** means save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

WINDING UP

- 210. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
 - (a) 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.
 - (b) 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.
 - (c) 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

- 211. **"Directors' and others right to indemnity"** means subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.
- 212. **"Not responsible for acts of others"** means subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or

expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

SECRECY

213.

- (a) "**Secrecy**" means 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.
- (b) "**Access to property information etc.**" means no member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following 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 Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days and will also be available at www.kronoxlabscienc.com from date of the Draft Red Herring Prospectus until the Bid/Offer Closing Date.

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 reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

- (a) Offer Agreement dated November 20, 2023 amongst our Company, Promoter Selling Shareholders and the Book Running Lead Manager.
- (b) Registrar Agreement dated November 20, 2023 between our Company, Promoter Selling Shareholders and the Registrar to the Offer.
- (c) Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, Promoter Selling Shareholders and the Registrar to the Offer, the Book Running Lead Manager, the Syndicate Members and the Bankers to the Offer.
- (d) Share Escrow Agreement dated [●], amongst our Company, Promoter Selling Shareholders and the Share Escrow Agent.
- (e) Syndicate Agreement dated [●] between our Company, the Book Running Lead Manager and Registrar to the Offer and Syndicate Members.
- (f) Underwriting Agreement dated [●] between our Company and the Underwriters.

B. Material Documents

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;
- (b) Certificate of incorporation dated November 18, 2008, issued by the RoC;
- (c) Fresh certificate of incorporation dated June 11, 2019, issued by RoC at the time of conversion from a private company into a public company;
- (d) Resolution of our Board of Directors dated November 1, 2023, in relation to the Offer and other related matters;
- (e) Shareholders' resolution dated November 20, 2023 in relation to this Offer and other related matters;
- (f) Resolutions of the Board of Directors dated November 1, 2023, taking on record the approval for the Offer for Sale by the Promoter Selling Shareholders;
- (g) Resolution of our Board of Directors dated November 23, 2023 for approval of this Draft Red Herring Prospectus;

- (h) Certificate dated November 22, 2023 from M/s. Mahesh Udhvani & Associates, Chartered Accountants verifying the Key Performance Indicators (KPIs);
- (i) Copies of annual reports of our Company for the preceding three Fiscals.
- (j) The examination report dated November 18, 2023, of our Statutory Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
- (k) Consent of the Directors, the BRLM, the Syndicate Members, the Legal Counsel to the Offer, the Registrar to the Offer, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Bank, Public Offer Account Bank, the Bankers to our Company, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- (l) Consent of our Statutory Auditors to include their name in this Draft Red Herring Prospectus and as an “expert” defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of our Statutory Auditors on the Restated Financial Statements dated November 18, 2023, and the statement of possible tax benefits dated November 22, 2023, included in this Draft Red Herring Prospectus;
- (m) Written consent dated October 4, 2023 from Adharshila Associates, Chartered Engineer, to include his name as required under section 26 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 his capacity as the chartered engineer; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
- (n) Report titled ‘*Report on Speciality Fine Chemicals Industry*’ dated November 2023 prepared by CARE Analytics and Advisory Private Limited, commissioned by our Company.
- (o) Consent from CARE Analytics and Advisory Private Limited dated November 24, 2023, to include contents or any part thereof from their report titled ‘*Report on Speciality Fine Chemicals Industry*’ dated November 2023, in this Draft Red Herring Prospectus;
- (p) Due diligence certificate dated November 24, 2023, addressed to the SEBI from the BRLM;
- (q) Tripartite agreement dated September 26, 2019 between our Company, NSDL and the Registrar to the Offer;
- (r) Tripartite agreement dated October 15, 2019 between our Company, CDSL and the Registrar to the Offer;
- (s) In-principle approvals issued by BSE and NSE pursuant to their letters dated [●] and [●], respectively; and
- (t) SEBI observation letter dated [●].

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 reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Jogindersingh Jaswal

Chairman and Managing Director

Place: Vadodara

Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ketan Ramani

Whole-time Director

Place: Vadodara

Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Pritesh Ramani

Whole-time Director

Place: Vadodara

Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Satish Kumar

Independent Director

Place: Vadodara

Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Krutika Negandhi
Independent Director

Place: Vadodara
Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Parth Shah

Independent Director

Place: Vadodara

Date: November 24, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, 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, SCRA, SCRR and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Samir Gadhiya
Chief Financial Officer

Place: Vadodara
Date: November 24, 2023

DECLARATION

I, Jogindersingh Jaswal, one of the Promoter Selling Shareholder, hereby certify that all the statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to myself, as a Promoter Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER TO THE OFFER

Jogindersingh Jaswal

Place: Vadodara

Date: November 24, 2023

DECLARATION

I, Ketan Ramani, one of the Promoter Selling Shareholder, hereby certify that all the statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to myself, as a Promoter Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER TO THE OFFER

Ketan Ramani

Place: Vadodara

Date: November 24, 2023

DECLARATION

I, Pritesh Ramani, one of the Promoter Selling Shareholder, hereby certify that all the statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus in relation to myself, as a Promoter Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER TO THE OFFER

Pritesh Ramani

Place: Vadodara

Date: November 24, 2023